



Seeking Foundation Funding

There are countless guides and books devoted to mastering the many skills, techniques and tools that contribute to succeeding in securing foundation funding. We encourage you to read through them and apply them as your organization prepares to pursue foundation funding. This short guide is intended to serve as an introduction to the world of foundation funding. Foundation grants can provide important support to grassroots watershed organizations, and complement other sources of funding such as membership programs, major donor campaigns, and government grants. As a watershed advocate and leader, you have the key ingredients for success – enthusiasm, perseverance and the desire to make a difference. With some information and a little practice, you will soon build strong allies among foundations.

Which Foundations?

(From *How To Find the Right Prospects for Your River Group*, by Susan Hollander and Pat Munoz, River Network)

You have a project for which you are seeking funding... so where do you begin? Starting off by doing a little research will help you identify promising foundation prospects for your project and give you an idea of the amount you should request from them. Investing some time to do research will make writing the proposal that much easier.

Identify the Prospects - To start, make an inclusive list of all the foundations that might be interested in supporting the project for which you seek funding, and who fund work in your region. Do they fund environmental advocacy work? Have they listed water quality as one of their areas of concern? Does the foundation's area of interest include the Mississippi Basin? The Great Lakes region? Pages 7 and 8 of this tool list many resources available to help you develop this initial list.

- **Local Directories** – This is the best place to start. Your chances of getting funding on an ongoing basis from a state or a local funder are generally much greater than they would be with a national funder.
 - Foundations in Wisconsin: A Directory, is an annual directory published by Marquette University's Memorial Library that includes community, corporate and family foundations. Cost for printed copy is \$45 for nonprofit organizations, or \$64 for others. To order, call (414) 288-1515 or visit www.marquette.edu/library/fic.
 - Some Wisconsin community foundations publish their own directories of local grantmakers. Call your local community foundation, nonprofit support center, or your local library.
- **Regional or National Directories** – Consider sharing the cost for one of these directories with another local organization, or borrowing one from a larger organization, the local community foundation or a nonprofit support center. For a list, see pages 7-8.
- **Annual Reports of Similar Organizations** – The annual reports of other local or statewide conservation groups can uncover foundations that actively support your type of work.
- **Word of Mouth** – Ask for suggestions from other fundraisers and people familiar with area foundations.
- **Internet** – You will find foundations' sites and for-fee searchable grants databases.
- **Computerized Databases** – Although these are expensive to purchase, many databases are available for public use at the Grants Information Center, Memorial Library, University of Wisconsin – Madison, Wisconsin.

Narrow the Possibilities – Armed with an extensive list of good foundation prospects, you now need to sort out which foundations are truly viable prospects worth pursuing. Research the foundations’ web pages, annual reports, and annual tax returns (Form 990 PF). You’ll need to know:

- **Grant Guidelines** – These usually include grant deadlines, program focus areas, types of grants made (e.g. operating support, capital campaigns, program support, etc.), restrictions on giving, ways in which you should initially approach the foundation (e.g. by phone or letter of inquiry), and application format.
- **Grants History** – A list of past grant recipients and the amounts they were awarded is the best measure of the type of projects the foundation supports. It will also indicate the range of funding you should request.
- **Financial background**, including total assets. This information will give you a sense of the amount of funding the foundation awards annually, and, therefore, your likelihood of success.
- **Staff and Board members** – Any contacts you might have on a foundation’s Board of Directors or staff may enhance your chances of being funded.

Prioritize the Prospects – With the information you uncovered through your research, you should be able to prioritize which foundations to approach, taking into account their deadlines, amounts of funding available, personal contacts and compatibility of your project with their interests.

Connecting with Funders

Developing a Relationship

(Adapted from *Developing Relationships with Grantmakers*, River Fundraising Alert, Vol. 6, No. 2)

Once you have identified the foundation prospects most likely to support your work, meeting the foundation representative in person may be the best way to establish a relationship that you can build on in the future. The

- **Meet grantmakers at the foundation office** – Call the foundation and, after you’ve described your project and gauged their interest, request a meeting.
- **Attend “Meet the Grantmaker” events** – Call your local community foundation, volunteer center or other community service centers to see if such events are offered in your area.
- **Attend grantmaker-sponsored events** – Some foundations hold events to facilitate contact between grantmakers and grantseekers.
- **Seek out informal occasions to meet grantmakers** – Grantmakers are often active members of the community. Be alert for opportunities to attend social or civic events where they will be present, and use these occasions to make an initial contact you can follow up on later.
- **Invite funders to observe your organization in action** – Encourage them to attend your next event.
- **Invite grant officers to visit your facility** – This traditional “site visit,” which typically occurs after you have submitted a proposal, is often initiated by foundation staff. There is no reason why you can’t initiate contact and invite them to tour your office or volunteer headquarters.

following are suggestions for introducing yourself and your organization to grantmakers:

Meeting with a Funder

(Adapted from *10 Tips for Site Visits*, by Pat Munoz, River Fundraising Alert, Vol. 2, No. 6)

An invitation to meet with a foundation representative provides a valuable opportunity to secure their feedback on your specific project and build their awareness of your organization’s funding objectives, mission and needs. The following suggestions will ensure you get the most out of your meeting.

- **Get the details straight** - If a funder initiates the site visit, don't be shy about asking questions. Do they have specific information needs or questions? How many people will be coming? Who would they like to meet with... program staff? board members? clients? Be sure to provide or get accurate directions, depending on where the meeting will be held.
- **Energize your workplace** - Does your workplace reflect the energy, enthusiasm and philosophy you bring to your work? If the funder is visiting your group, make them feel welcome. While you're warming up the coffee pot, you might get out the broom and mop and clean the office.
- **Prepare, prepare, prepare** - If a funder indicates ahead of time that they are interested in a particular aspect of your program, become an expert on that subject. If another person can speak more eloquently and informatively regarding the matter, ask them to sit in on a portion of your meeting. Be prepared to answer both general and more detailed questions about that program.
- **Know the numbers** - Be ready to discuss your organization's financial statements. If you are not a trained accountant, spend a little time with your "numbers guru" before the meeting, and ask that person to be on call during the meeting.
- **Get up-to-date** - Review the annual report of the foundation whose representative you are meeting with, or visit its Web site if one exists, one more time.
- **Give your best show and tell** - Think about how you can best present the emotional side of your organization. If you run a river monitoring program, take funders to a monitoring site and explain how it's done; if you're working on legislation to protect a particular stretch of river, don't meet in the office - canoe the river! If you're raising money to purchase a piece of riverside land, go to the site, unroll the maps, and walk around. In other words, make your ideas tangible.
- **Be honest** - Be up-front about the challenges your organization faces. If you're honest with them, they're more likely to empathize with your situation or suggest solutions than to reject your program. Remember that your organization doesn't have to be perfect. Funders understand the realities of small nonprofits, and they might even be able to help.
- **Relax** - Try to relax and create an atmosphere for open discussion and frank and honest exchange of information, rather than prepare a scripted presentation. Anxiety and nervousness can get in the way of good dialogue.
- **Always follow up** - Take a moment at the end of the visit to make a checklist of any issues the funder asked you to follow up on. Were there reports you should fax or send? If a funder requests such items, double-check the timeline: Do they need those figures in two days or two weeks? In a formal report or simply over the phone?
- **Ask about your chances** - It's only natural to want to know what a funder is thinking as the site visit wraps up, so go ahead and ask, the experts say. Although the final decisions regarding funding are rarely left to the foundation representative alone, he or she is likely to give you a sense of what your chances are. In fact, even if you don't receive funding from that particular funder, you may get a better sense of why not if you inquire as the site visit concludes.

Writing the Proposal

(Adapted from *Writing a Winning Foundation Proposal*, by Pat Munoz, River Network) – As you sit down to write, gather the following background information:

- Foundation information, including guidelines, lists of past grants, etc.
- Background information to help you write the problem section.
- A basic concept for the project, including specific objectives and activities and a timeline.
- General information on your group, including its mission, goals,

Before Writing... Consider the Following Questions:

- Who will develop the proposal?
- Does your project fill a real need?
- Is someone else already doing it?
- Are you ready for the demands the grant will place upon your group?
- How will additional/future funding be obtained?

TIP #1 Give yourself enough time – Get a good handle on the deadlines of the foundations you are interested in, make yourself a schedule, and begin work on a proposal at least two weeks before it is due. Without fail, there will be some item that will require extra time to obtain, or someone you need to talk to who is away. Foundations are universally impressed when you get your proposal in well ahead of the deadline.

TIP #2 Tailor each proposal to the particular funder – Try to see your project through the funder’s eyes. Get a sense for its philosophy and interests, then focus on aspects of your project that are in tune with those. Demonstrate that your project will provide something the foundation values.

GENERAL PROPOSAL FORMAT

Always follow funders’ guidelines. They will often incorporate these elements:

I. Cover Letter

II. Summary (5%) – Summarize the entire proposal, highlighting key elements. Specify the total cost of the project, funds committed, and the amount requested in the proposal.

III. Introduction/Organizational History (10-15%)

– Include a brief history, and mission statement. Summarize current activities and recent achievements. Explain why you are the right organization to undertake this project.

IV. Problem (Need) Statement (20%) – Define the need or problem you are addressing, and its level of urgency. Frame it as an opportunity, and use statistics and numbers where appropriate.

V. Your Solution/Program Description (40-50%)

– Describe specific, measurable objectives of your program. Propose strategies, methods and specific activities. Emphasize elements in which the foundation has an interest.

VI. Evaluation (5%) – Describe how you will monitor and evaluate your success.

VII. Budget (10%) – Provide a stand-alone financial summary of the project, and include a budget narrative, if needed.

VIII. Funding Request/Conclusion (5%) – Ask the foundation for a specific amount. Describe other prospects and sources, and a future funding strategy for ongoing projects.

IX. Attachments – Refer to foundation’s guidelines to see what they require.

TIP #3 Follow the rules – Follow the foundation’s grant guidelines to the letter, and meet all deadlines. If you do not, your proposal may not even be considered.

TIP #4 Keep it short and concise

– Use short, powerful sentences, and a logical structure. Use positive verbs like “will” and “can.” Don’t use flattery, overstatement, or fancy adjectives like “unique” or “unprecedented.” If a page limit is given, stick to it. If not, limit the body of the proposal to 10 pages maximum.

TIP #5 Make it reader friendly

- Use plain white stationery
- Use simple, legible typeface throughout.
- Leave wide margins and double space between sections.
- Use **bolding** or underlining to highlight key information.
- Set off each section with logical headings.
- Where appropriate, use bulleted lists.
- Avoid acronyms, technical terms or jargon
- Number all pages except the first.
- Don’t bind your proposal or make fancy covers.

TIP #6 Ask for the right amount

– Do your homework here. Check to see what the foundation’s average gift is, and look at past grants made to groups similar to yours. If the guidelines allow, ask for 2 or 3 years of funding.

TIP #7 Make the proposal flow –

Your challenge is to incorporate everything the foundation guidelines call for into a logical, cohesive whole. Try to use the same headings as those specified in the guidelines. If none are specified, you can follow the structure outlined in page 4. However, there is nothing magical about this format. Once you have included everything the foundation guidelines call for, feel free to rearrange the elements, combine sections, and generally use your creativity to make the whole proposal stand out!

TIP #8 Put first things first –

Be sure to state clearly and concisely, right at the beginning of the cover letter, AND in the summary, how much money you are asking for and what you want to do with it.

TIP #9 Involve the funder, when appropriate –

Having some contact with foundation staff during the proposal-writing stage, particularly if there has been no previous contact, will enhance your chances for success as long as you have legitimate questions to ask. You might query the foundation about the proposal review process, or ask about a particular aspect of your proposal that is controversial. If this is your first submission, you can ask foundation staff to provide you with a previously funded proposal to use as a model. Developing a rapport with the person who will review your proposal can only help your cause.

TIP #10 Proofread carefully –

Have someone who is unfamiliar with the proposal give it a read. Check for spelling and grammar, as well as for the integrity of the proposal. Does it work well as a whole? Do the numbers in the budget reflect what you proposed in the Program Description section?

TIP #11 Build overhead into your budget, when possible –

Because it is so difficult to get funding for general operating support, grassroots groups should always include some of their "operating costs" such as rent or

accounting costs in project budgets unless the foundation specifically prohibits it. One way to calculate these administrative expenses is by figuring what percentage of the total paid staff or volunteer hours of the organization will be devoted to a specific project. If this figure is 20%, then you can legitimately charge 20% of the organization's operating costs to the project budget. Before you put a number into your budget, be sure to check the guidelines to see if the foundation has a ceiling for these costs.

TIP #12 Credentials are important –

Make sure the foundation knows that your group is capable of doing what you are proposing. If you are an all-volunteer organization, reassure the foundation that there is a stable leadership in the organization. In the Organizational History Section, cite similar projects you have carried out. If you have well-known community or national figures on your board, be sure their names are prominently displayed on your letterhead. Attach letters of endorsement from respected community organizations. Include press clippings if they are relevant and enhance your credibility.

TIP #13 Work on your budget –

Unless you are requesting general operating support, you will be submitting two budgets, one for the proposed project and one for the entire organization. The project budget is usually incorporated into the proposal, while the organizational budget (income and expenses) is usually one of the appendices. The project budget is usually one of the first things looked at, so make it realistic, easy to understand, and convincing. Be sure to indicate what specific time period it covers (i.e. January 1, 2002-December 31, 2002). Double check to make sure that your figures add up and that the budget reflects the program elements described in the proposal. Keep a record of how you arrived at the costs in case you are asked for details. If you are applying for partial funding of the project budget, indicate how you plan to raise the remainder of the funding.

TIP #14 Don't include too many attachments – Restrict your attachments to those that are specifically requested by the funder, and any others that are absolutely necessary to make your case.

TIP #15 Follow up with the funder – If your project is approved, don't forget to send an immediate "thank you" to the funder acknowledging receipt of the grant and expressing your appreciation for this vote of confidence in your work. If you receive a "turndown," you may want to call and inquire why the foundation chose not to fund you. Take the opportunity to ask about other funders who might better fit your project. In any case, don't be discouraged. It often takes several tries before a foundation decides to fund an organization for the first time. If you have reason to think the funder is a good prospect, send them your newsletter and annual report, invite them to your events, and keep on applying. Persistence usually gets its just reward!

Additional Resources

- ◆ *Designing Successful Grant Proposals* by Donald C. Orlich, a guide to proposal writing, including a helpful checklist for developing a sound grant proposal by the Association of Supervision and Curriculum Development. Call (800) 933-2723 or visit www.ascd.org/readingroom/books/orlich96book.html.
- ◆ *Donors Forum of Wisconsin*, an association of Wisconsin grantmakers, offers proposal writing workshops. For information call (414) 270-1978 or visit <http://dfwonline.org>.
- ◆ *The Foundation Center's Guide to Proposal Writing* by Jane C. Geever and Patricia McNeill. Rev.ed. New York: The Foundation Center, 1997. Contact the Foundation Center at (800) 424-9836.
- ◆ *The Foundation Center* offers a web-based search engine to access foundations' financial information. Visit: <http://fdncenter.org/funders/finder/finder.html>.
- ◆ *Foundation Fundamentals: A Guide for Grantseekers* by Mitchell F. Naufts, ed., 1994. To order contact the Foundation Center, 79 Fifth Ave., New York, NY 10036-3076, (800) 424-9836.
- ◆ *General Guidance for Grantseekers* from the JC Downing Foundation. Available from the foundation by contacting PMB 422, 10755 Scripps Poway Pkwy Ste F, San Diego, CA 92131, or by visiting www.jcdowning.org/resources/generalguide.htm.-3924.
- ◆ The *Grants Information Center*, University of Wisconsin Madison. The Center offers a collection of informational resources, databases and instructional videos, guides and workshops on private and corporate foundations and federal funding agencies. Phone (608) 262-3242 or visit www.library.wisc.edu/libraries/Memorial/grantshp.htm.
- ◆ *Grassroots Fundraising Journal*, by Chardon Press. A useful publication with articles and tips on different fundraising techniques, including grant writing, direct mailings and membership development. To order call Chardon Press at (510) 596-8160, e-mail chardon@chardonpress.com or visit www.chardonpress.com.
- ◆ *A Guide to Proposal Writing and Planning* by Jeremy T. Miner and Lynn E. Miner. Call Oryx Press at (800) 279-6799 or visit www.oryxpress.com.
- ◆ *Nonprofit Charitable Organizations* with Stan Hutton, a web-based resource center, includes information on all aspects of grant writing and proposal development. Visit <http://nonprofit.about.com/careers/nonprofit/cs/helpwithgrants/index.htm>.
- ◆ *River Fundraising Alert*, a newsletter for River Network Partners, includes articles on fundraising, including membership management. For information, call (800) 423-6747 or visit www.rivernetwork.org.
- ◆ *River Network*, a national organization that supports local river and watershed groups, publishes extensive articles on foundation fundraising through its many publications. Many are available over the web at www.rivernetwork.org.
- ◆ *Program Planning & Proposal Writing*, by Norton J. Kiritz, 1980. 48 pages. One of the most widely used and respected guides to effective proposal writing. To order contact The Grantsmanship Center, P.O. Box 17220, Los Angeles, CA 90017; phone (213) 482-9860.

Sources of Funding

River and watershed organizations - indeed, most grassroots organizations - invest precious amounts of time and energy researching and pursuing potential sources of funding to support their work. We hope the following list will simplify this task. The following list includes some of the most useful and comprehensive directories available, to help you learn about government technical assistance programs, grant programs, private and corporate foundations, and other sources of assistance available to river and watershed organizations.

- **American Rivers' *Paying for Your Project Toolkit*** includes various guides for identifying funding sources for river conservation projects, and includes federal, state, local and private funding sources. Guides include *Paying for Dam Removal: A Guide to Selected Funding Sources*, *River Restoration Funding: A Selected Guide to Federal Programs*, and *Federal Funding Sources: View by Project Type*. For more information, call American Rivers at (202) 347-7550 or view online at www.americanrivers.org.
- **Catalogue of Federal Domestic Assistance**, by the U.S. General Services Administration, is a compendium of Federal programs, projects, services, and activities that provide assistance or benefits to the American public. It contains financial and non-financial assistance programs administered by departments and establishments of the Federal government. For more information, visit www.cfda.gov.
- **Catalogue of Federal Funding Sources for Watershed Protection**, by the EPA Office of Water. To order, contact EPA Region 5 at (800) 621-8431 or view it online at <http://cfpub.epa.gov/fedfund/>.
- **Directory of Fox Valley Area Grantmakers**. This guide provides an overview of local philanthropy within the Fox Valley communities from Neenah to Kaukauna. To order, contact the Community Foundation for the Fox Valley Region, P.O. Box 563, 118 S. State St., F2, Appleton, WI 54912; Ph: 920-830-1290; web: www.cffoxvalley.org/index.htm.
- **Directory of Funding Sources for Grassroots River and Watershed Conservation Groups** by River Network. This directory profiles private, corporate and federal funding sources for river and watershed groups. This easy to use guide also contains a section on writing grant proposals and a bibliography of state and local foundation directories. Cost is \$35 (one copy free to River Network Partners). To order, call River Network Publications at (503) 241-3506 or visit www.rivernetwork.org/library/libfundir.cfm.
- **Environmental Grantmaking Foundations –Directory**. A comprehensive directory of nationally-oriented foundations with environmental interests. To order, contact Resources for Global Sustainability at (800) 724-1857 or visit www.environmentalgrants.com. Cost is \$105 (printed) or \$115 (CD-ROM). Copies of this directory are also available at the following Wisconsin Grants Information Libraries: Grants Information Center, Madison (608-262-3242); Funding Information Center, Milwaukee (414-288-1515); and the Foundation Collection, Stevens Point (715-346-2540).
- The Foundation Center's online service, **Foundation Finder**, provides basic information on over 61,000 private and community foundations in the U.S. Call (800) 478-4661 or visit <http://lnp.fdncenter.org/finder.html>.

- **Foundations in Wisconsin: A Directory.** An annual directory listing Wisconsin foundations and their areas of interest. Approximate cost is \$40. To order, contact the Marquette University Memorial Library, 1415 W. Wisconsin Ave., Milwaukee, WI 53233; (414) 288-1515 or visit www.marquette.edu/library/fic/index.html.
- The Foundation Center's **Grantmaker Information Directory** contains links to over 1,500 web sites of private grant sources, including foundations and corporations. Call (800) 478-4661 or visit <http://fdncenter.org/grantmaker/index.html>.
- The **Great Lakes Information Network** provides links to web pages of Grant and Funding Sources in the Great Lakes Region, including foundations and government grant programs. For information, call (734) 665-9135 or visit www.great-lakes.net/infocenter/news/funding.html.
- **Guide to Information on Financial and Technical Assistance Available for River Restoration both in Wisconsin and at the Federal Level**, by the River Alliance of Wisconsin. This online guide focuses on public funding sources. For more information, call (608) 257-2424 or visit www.wisconsinrivers.org under dam removal funding.
- The **Wisconsin Catalog of Community Assistance (WCCA)** is a comprehensive listing of state aid programs designed for local government officials, community organizations and the general public. It contains valuable information regarding state aid programs, including all Wisconsin Department of natural Resources Programs. For more information, call the Wisconsin Department of Administration, Bureau of Intergovernmental Relations at (608) 266-7043 or visit <http://www.doa.state.wi.us/dhir/wcca.asp>.
- The Foundation Center provides a comprehensive directory of and links to **Wisconsin Community Foundations**. For a listing or to link to their web pages, call the Foundation Center at (800) 424-9836 or visit http://fdncenter.org/funders/grantmaker/gws_comm/comm_wi.html.
- **University of Wisconsin – Madison Grants Information Center** has compiled much useful information on Wisconsin state and local government funding and assistance programs. Call (608) 262-3242 or visit <http://grants.library.wisc.edu/>.
- The Foundation Center's **Foundation Directory Online Subscription Service**, provides access to detailed information on over 57,000 active foundations throughout the U.S. Monthly subscription charges are \$20. Call (800) 478-4661 or visit www.fconline.fdncenter.org. The database, **FC Search: The Foundation Center's Database on CD-ROM**, may also be purchased from the Foundation Center catalog. Cost is \$1,195. It is also available for free use at the three following Wisconsin cooperating collections sites: Grants Information Center, Madison (608-262-3242); Funding Information Center, Milwaukee (414-288-1515); and the Foundation Collection, Stevens Point (715-346-2540).
- **River Network's River Fundraising Alert** is a quarterly publication that regularly features a list of funding deadlines for national foundations. This quarterly newsletter is free to River Network members. Annual Subscription \$35. For information, contact River Network at (503) 241-3506 or visit www.rivernetwork.org.