

Philanthropy Corner – September 6, 2009

“Desperately Seeking Grants Can Lead to Assuming Another Identity”

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When seeking financial support from foundations or other grant sources, nonprofit organizations often assume another identity in order to write grants to match grant guidelines. These actions are reminiscent of the romantic comedy *Desperately Seeking Susan* in which the main character seeks vicarious thrills through the personal ads and assumes another person’s identity. In scrambling to qualify for funding, some nonprofit organizations attempt to morph their identity and mission which can cause unintentional and possible negative consequences to the nonprofit organization.

Nonprofits should recognize that grant support is part of an overall strategic fundraising plan that understands the advantages and disadvantages associated with grant writing and creating new programs or changing core mission objectives to chase grant funds. Grant writing is very time consuming, requires detailed information, takes a long time, and can result in overdependence. Time and resources committed to grant writing should be carefully allocated according to the return on investment. An estimated nine out of ten grant proposals are rejected.

Grants from foundations represent only a very small percentage of charitable giving. Foundation giving accounted for only 13 percent of the total amount contributed to charity last year. In fact, in 2008 foundation giving decreased 26 percent, while charitable giving by individuals only decreased by 6 percent. It is important to remember that the majority of charitable giving comes from individuals and accounts for more than 80 percent of all charitable giving.

Grant writing is definitely an art and a science. Successful proposal writing involves the coordination of several activities before submitting a proposal to a funder. Vital to the grant-writing process, successful grant writing takes advance planning, preparation and research. Similar to the eight-step process of soliciting gifts from individuals, soliciting support from foundations requires several steps prior to actually writing and submitting a proposal. Preliminary work will simplify the writing stage and contribute to more successful outcomes.

Many grants require additional funds be raised to match the grant and a plan to sustain the project once the funds are expended. Organizational resources,

staffing and administrative costs need to be allocated appropriately to comply with the grant regulations and reporting requirements.

There is a technique to grant writing and many resources are available that provide tips to develop a successful proposal. Proposals should be compelling, persuasive, cohesive and follow exact specifications outlined in the guidelines. Grant proposals should make it easy for the grant reviewer to see that the program matches their priorities by echoing the foundation's language and orientation using preferred phrases in a straight-forward, simple writing style.

Successful grant proposals are ones in which the project goals and objectives match those of the foundation, demonstrates that the goals are reasonable, and the project will be successful. Too often organizations approach foundations for funding based on their needs rather than determining what the foundation's goals are for funding and matching those needs to the foundation's priorities. The importance of conducting research cannot be underestimated. Before sending a grant proposal, gain a clear understanding of the grantmaker's funding priorities and average gift size by researching guidelines, annual reports and other pertinent information.

Nonprofit board members play an important role in seeking funding from foundations. Board members can utilize their connections to make phone calls to friends or colleagues to move the proposal along. Also, nonprofit boards have a fiduciary responsibility to ensure the organization fulfills the grant requirements, such as raising matching funds and allocating organizational resources. Policies may need to be adopted regarding compensation of professional grant writers. Industry standards set by The Association of Fundraising Professionals Code of Ethical Principles does not allow its members to receive fees based on a percentage of contributions, but members may accept performance-based compensation.

A nonprofit organization's funding base should be diversified with multiple strategies such as fund raising events, government and foundations grants, corporate support and individual gifts. Clearly writing a grant proposal may not be the right answer. As stated earlier, individuals provide the majority of charitable giving and are the greatest source of reliable income over time. In fund raising, the number one priority is building relationships. It begins with the understanding of the basic concept of gift giving: people give to people. Every grant-making decision made at a foundation, government or corporation is made by an individual or group of individuals. Building relationships with individuals and foundations

that have identified with your organization as a giving priority is core to any fundraising strategy.

Most importantly, nonprofit organizations should not assume another identity to chase funds. When it comes to a nonprofit's mission and goals, the organization should reflect upon the words of Shakespeare, "To Thine Own Self Be True."