

Local/State Funding Report

Grants Series

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Grantseeking Quicktips

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What a Foundation's Giving Pattern Reveals

Jane Hexter is president of Ithaca, N.Y.-based Grants Champion, a division of Grantomatics LLC.

If you are in grant research mode, you are probably spending countless hours in front of a database plowing through foundation records. The amount of information can be overwhelming, so I thought I'd share three questions that I ask myself when I assess a foundation's giving pattern.

How many organizations did they give to in the most recent year?

If a foundation gave more than 30 grants it shows a pretty broad giving base. If it gave more than 60 grants I take it as a good sign that it gave broadly and is pretty amenable to entertaining proposals from organizations that it may not have given to in the past.

On the other hand, if it just gave to 10 or so organizations, a little flare shoots up for me. Some foundations can even give out large amounts of money but disbursed to just a few, very lucky grantees.

Either way, it indicates that the decisionmaking process rests with the strong preferences of a few board members. If my organization does not have a personal connection with a board member, I would put this foundation low on my priority list.

Did it give to the same organizations more than two years in a row?

If the foundation gives a decent number of grants, I pull up its 990's (IRS Tax Form) for the last three years. You can access these if you have a Foundation Center subscription through its online database. If you don't have a subscription, you can access them for free via <http://foundationcenter.org>.

I compare the grantee list for three years and see how it varies. For some foundations, they just give to the same organizations year in and year out. In those cases, I move on to more fertile territory.

If their giving pattern shows that they give to different organizations each year they rank as a better prospect in my book.

Do they give multi-year grants?

Take a look and see if they give multi-year grants. Sometimes these are listed on the 990. It will say something like "\$50,000 as part of a three year \$150,000 commitment."

It's helpful to know this for a couple of reasons.

First, you can see how much of their funds are already committed. For example, a local foundation in my neck of the woods once made a large, multi-year commitment to build a museum that severely curtailed its other giving.

This is particularly significant given the economic climate because as foundation portfolios and giving shrinks, they will endeavor to maintain their multi-year commitments - meaning that there might not be much left in the pot for your project.

Second, it gives you an indication of whether you could apply for a multi-year grant. It is not common for a foundation to give a multi-year grant to a new grantee organization - but it does happen.

Asking these questions helps me to rank foundations in order of priority based on the initial research.

Post Script

The economic news is probably sending shudders through your organization. While we will certainly see budgets cut and giving reduced, philanthropy will continue. And good people will still focus on providing vital services to people who need them. It might be tempting to recoil and freeze in the face of the news. It sure is to me at some moments. But my heart says that this could also be the chance for us to delve even deeper within to help one another. And that trying times often bring out the best in people and communities. I'm confident that all will be well and that we will survive this downturn and maybe even emerge a little stronger for it.

For more information on Grants Champion and Hexter's work with grantseekers, visit <http://www.grantschampion.com>. THOMPSON

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