

# Find the Right Funders

## Where's the Money?

Once you understand your organization's mission and priorities, you're ready to begin identifying funders that might be a good fit.

Let's start with a few key points:

1. There are no shortcuts to finding the right funding source. Nothing can replace thorough research.
2. Look beyond the obvious funders to find a wider group of prospects.
3. Grantmakers can change interest areas, application processes, and staff. Always get the most up-to-date information.
4. Get strong community support before seeking funding outside your community. Local support can build a potential funder's confidence in your organization.
5. Grantmakers receive tons of requests for funding. Don't waste their time—or yours—with requests that don't align with their interests.

### BE STRATEGIC

Your task is to identify all potential funders whose interests align with your organization's mission, priorities, capacity, and program plans. Sometimes you'll focus your search on grantmakers for a specific program. That's fine. But to build a grant funding program that will be most productive over time, it's best to explore the entire universe of grantmakers to find those that are the best fit for your organization.

Don't approach this task in a hit-or-miss manner. Lots of Internet sites provide lists of foundations and announcements of upcoming foundation or government funding opportunities, and you may run across some promising opportunities there. But browsing free sites and responding to list-serve announcements puts you in a disorganized, reactive position that won't produce the best results. Learn about the reputable and substantial research tools available, then use them in a well-considered, strategic way to find appropriate funders.

Even if the database you subscribe to saves your searches, supplement that tool with an Excel or Google sheet to organize your research and avoid getting overwhelmed by the data.

There are two general types of grant funders: **government** and **private**.

## GOVERNMENT GRANTMAKERS

Grantmakers exist at all levels of government, from the federal level down to the local level.

### RESEARCH TOOLS FOR FEDERAL GRANTMAKERS

There are several resources available for identifying federal funding programs, and each requires that you think broadly about the terminology you use in identifying your organization's interests.

To get started, think about the problems or issues your organization is addressing and brainstorm **key words and phrases** to use in your research. For example, if your organization's work focuses on teen substance abuse, key words and phrases might include *substance abuse, drug abuse, addiction, health, alcohol, drugs, youth development, adolescents, teens, drug abuse treatment, drug abuse counseling, etc.*

In order to apply for federal funding, you need to follow a few important steps:

1. **Register with [SAM.gov](https://sam.gov)** This is the official site for registering to do business with the federal government. [To register with SAM.gov you will obtain a Unique Entity Identifier \(UEI\) for your organization](https://sam.gov). Your organization may already have a UEI if it has done any business with the federal government; if it has a DUNS number, this will be converted to an UEI. It can take 7-10 business days to fully complete the registration process required for most funding opportunities.
2. **Register with [grants.gov](https://grants.gov)** Grants.gov is the main tool you will use for identifying federal funding. Ideally, registration for grants.gov can be accomplished the same day.

It's always a good idea to allow more time for each step above, if you can.

Registration on these sites is free and does not commit your organization to making a specific application for funds.

Once you have identified potential opportunities, read the program listing carefully. Is your organization eligible?

- Visit the relevant federal agency's website to learn all you can about the program.
- Contact the agency's designated staff member if there are important questions you can't answer from studying the relevant websites.

### RESEARCHING STATE, COUNTY, AND MUNICIPAL GRANTMAKERS

State, county, and municipal grantmakers rarely have a structured, user-friendly way of letting applicants know when a grant competition will open – or even that a grant program exists. For the most part, to unearth the possibilities, grantseekers have to become detectives. A few words of advice:

1. Call the offices of government officials and ask if there is a system that makes grant application announcements available to the public. If there isn't (as is often the case), ask how you can learn about grant opportunities.
2. Visit government websites and explore the various departments to see if grant programs appear to be available.
3. Speak to elected officials about what resources might be available.

## PRIVATE GRANTMAKERS

Non-governmental funders include private foundations, community foundations, corporate foundations, and federated grantmaking organizations such as United Way. It is possible that you can learn about some foundation opportunities through networking.

As a part of your research, look for any connections that may help your organization build a relationship with the funder's board or staff members. Establishing a relationship with a foundation prior to submitting a proposal is a basic strategy that is worth the time and effort.

## RESEARCH TOOLS FOR PRIVATE FUNDERS

Like the search for government funds, the starting point for private funders is a list of key words and phrases. This list will be similar to the one you used for government funders, but expand it with words relating to the type of support you're looking for and your type of organization. For example, if one of your organization's priorities is to reduce health-care inequities by building a free community health clinic, you might use key words and phrases such as *capital support*, *health*, *health care*, *social justice*, *free clinics*, *health care inequity*, *low income*, and *uninsured*. And you'll want to target foundations that have expressed interest in your organization's geographic service area.

There are now myriad databases making many claims. You need to carefully check them out and determine if they will meet your needs. There is no single, free database of information on all foundations. To get serious and get best results, consider a subscription. Here's two we can recommend to help you conduct thorough research:

**Candid** was created in 2019 when The Foundation Center merged with GuideStar. Extensive databases of foundation information have been combined with comprehensive data on nonprofit organizations for a powerful research tool. Some information is available for free on the website. To access the free services, you'll need to register and set up an account. To dig deeper, with structured research, you'll likely want to use one of the online fee-based subscription services. When you search the nonprofits database by zip code, you'll discover foundation as well as colleague nonprofits because foundations are also nonprofit organizations. Candid resources are also available in-person, without fees, at their Funding Information Network (FIN), various libraries and regional centers across the U.S. For a list and map of Funding Information Network locations, go to: [Candid.org/find-us](https://www.candid.org/find-us)

**GrantStation** provides a database of information on private and government grantmakers. Criteria for the GrantStation database are: 1) the funder accepts unsolicited proposals, applications, or letters of inquiry; 2) the funder accepts requests from a range of organizations; 3) the funder makes grants, or other consequential gifts.

**Foundation Websites** are hugely helpful, but unfortunately not all foundations actually have websites. If they do, study them. You may be able to find details on their missions and giving interests, past grants including amounts and purposes, application guidelines, names of officers and staff. Read everything on the website. The more thorough your research, the better equipped you will be to make contact with the foundation.

**Foundation Tax Returns.** These are called 990-PFs, are public information, and for researching the many foundations that don't have websites, they're absolutely essential. Use [Candid 990 Finder](#): Free, no registration required.

**State and Regional Directories.** Organizations and publishers have developed state-level foundation directories for most states or regions. Some are in print format and some are free online. Use a web search engine to look for a foundation directory for your state.

**The Grantsmanship Center's [State Grant Resources](#)** webpage provide both government and private funder information—It's free and requires no registration.

## STRUCTURING A SEARCH FOR PRIVATE GRANTMAKERS

Use the available research tools to search for private grant makers that align with the mission and priorities of your organization, and that fund in the geographic region you serve. Use the key word lists you've developed, and don't limit your research only to grantmakers who are appropriate for an immediate funding need. Instead, develop a repository of information that can support your organization's work for the long run.

Start by using a good database, and then use the 990-PF tax returns to fill in the blanks where necessary.

As you examine information on grantmakers, keep these questions in mind.

- Do they limit funding to specific geographic areas?
- Are their expressed areas of interest aligned with those of your organization?
- What's the typical grant award amount for an organization such as yours?
- Do they accept unsolicited applications? If they don't, a relationship is critical.
- Does the foundation have staff? Those who do are more approachable than the large percentage that don't.

Even the most extensive databases available do not show every grant that a funder has made, to whom, and in what amount—and that information is critical. So unless a foundation maintains a thorough website or publishes a full annual report, the only place you'll find that information is in its tax return. Information about grant awards is found in Part XV, Line 3 or on a list, attached to the end of the return.

As you move along in your research, analyze what you're finding and strategize about how you can use it. Do you see grantmaking trends? Can you find connections with foundation officers or staff members? The more you know about a foundation, the better prepared you are to talk to its staff and board members and, ultimately, to submit a proposal.

**Doing the research to identify funders** may seem like an unnecessary hurdle that takes too much time and effort. But finding grantmakers that are aligned with your mission, geography, capacity, and goals will contribute to your grant success so that your organization can make a difference in people's lives.



### Ready for more?

Get our *Winning Grants Power Pack*, which includes this article plus four more, for free! [The Grantsmanship Center](#) has a wealth of resources for you! For 50 years, we've served nonprofits, government agencies, educational institutions, and Native American groups by providing [training](#) and the textbook, [Grantsmanship: Program Planning & Proposal Writing](#). Choose a training to fit your schedule, budget, and level of experience—virtual or in-person. Join 145,000+ alumni using our training and textbook to build a better world!