

# Finding the Right Funders

## Where's the Money?

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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, 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 serious research tools available then use them in a well-considered, strategic way to find appropriate funders.

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.

Here are three primary tools for identifying federal funding.

**The Catalog of Federal Domestic Assistance (CFDA)** ([www.cfda.gov](http://www.cfda.gov)) This is the best place to begin your search for federal grant funding programs. The CFDA is a free online database of all federal domestic assistance programs including grants, loans, and other types of assistance.

The CFDA is searchable by keyword, type of assistance, target population, as well as other fields. To avoid frustration, start with rather broad search words and phrases. You can always narrow your search later. When using phrases, enclose them in quotation marks. When you find funding program that might be a good match:

- 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 CFDA or the federal agency's website.

**Grants.gov** ([www.grants.gov](http://www.grants.gov)) If your organization plans to apply for federal funding, it should register with Grants.gov. You can use this resource to search for grant programs, and it is also the portal through which many grant applications must be submitted. To register with Grants.gov, you will also have to register with the Central Contractor Registry (CCR). Instructions on registering with CCR can be found on the Grants.gov website. Your organization will also need a Dun & Bradstreet number (known as a D-U-N-S number). You can get one easily at [fedgov.dnb.com/webform](http://fedgov.dnb.com/webform). Registration is free and does not commit your organization to making a specific application for funds.

**The Grantsmanship Center** ([www.tgci.com](http://www.tgci.com)) The Center's federal information database is comprehensive and user friendly. It is available by subscription to Grant Domain or through membership in the Center's Alumni Program. Among its advantages: (1) You can find information in one place, because each morning the Center researches all sites on which announcements are posted and compiles a list that includes brief information and links to all relevant URLs. (2) The Center's site archives application guidelines so that you can access last year's RFP to begin work on a grant competition that may not open for many months. (3) Because the site is user-friendly and provides quick links to all federal agencies, it's convenient and saves you time.

## **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.

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. While there is no single, free database of information on all foundations, using the primary resources discussed here will help you conduct thorough research.

**The Foundation Center** ([www.foundationcenter.org](http://www.foundationcenter.org)) This organization maintains an extensive database of foundation information that you can access through online fee-based subscription services. But they also support a nationwide network of cooperating collections – public and government libraries or nonprofit information centers that make their databases and other information available to the public at no charge. You can find the closest cooperating collection by visiting the Foundation Center website at <http://foundationcenter.org/about/locations>. Some general information is available for free on the website, but to conduct structured research, you'll have to use one of the paid subscription services.

**Guidestar** ([www.guidestar.org](http://www.guidestar.org)) This organization collects information on all nonprofits in the United States and makes it available to the public. You can use basic aspects of their database for free; all you have to do is register. (To dive deeper, you'll have to pay a fee.) Because foundations are nonprofit organizations, when you search the Guidestar database for nonprofits by zip code, they'll show up along with your colleague nonprofits. This is a free and easy way to identify foundations within a specific geographic area.

**The Grantsmanship Center** ([www.tgci.com](http://www.tgci.com)) maintains a continuously updated database of information on private grantmakers. You can access it through a paid subscription to GrantDomain or as a benefit of membership in The Grantsmanship Center Alumni Program. This user-friendly database includes only funders that have staff and who accept proposals, or who occasionally issue calls for applications.

**Foundation Websites** are hugely helpful, but unfortunately only a small percentage of 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 are an indispensable research tool. For researching the many foundations that don't have websites, they're absolutely essential. [Guidestar.org](http://Guidestar.org), discussed above, is an excellent resource for accessing 990-PF tax returns. Once you complete the free (and quick) registration, you can access three years of tax returns for free. You can also access 990-PFs through [The Foundation Center's](#) Foundation Finder, a free service available on the home page.

**State and Regional Directories.** Organizations and publishers have developed state-level foundation directories for most states or regions. Some are in print format, some on CD, and some are free online. They can be found at Foundation Center Cooperating Collections and are often available at local libraries. Use a web search engine to look for a foundation directory for your state.

## **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 Section XV (page 10 or 11). Many foundations attach a list near the end of the 990-PF.

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.

