How to Obtain Foundation and Corporate Grants for Your EN: A Proposal Starter Kit for Employment Networks

Part I: Identifying and Understanding Funders

June 18, 2010
Audio Mode: Use Mic & Speakers

Talking: Suzie Smith

Questions Log
Q: Is there a volume discount?
A: Yes! We will send you more info after the event.

Yes
FOUNDATION FUNDING Overview

• About Foundations
  – Types of Grantmaking Foundations
  – What Foundations Fund
  – ENs and Foundation Funding

• How to Be a Successful Grantseeker

• Researching Foundations
About Foundations
What Are Foundations?

- Grantmaking foundations support specific causes and programs
- Most have endowments
- 2008 statistics
  - Over 75,000 foundations
  - Over $45.6 billion in grants
- Foundations vary enormously in assets and staff
- Essential to know the type of foundation, the issues it supports, and typical grant size

Source: Foundation Growth and Giving Estimates, 2009
## Foundation Funding by Subject Area, 2007 Overall Funding

<table>
<thead>
<tr>
<th>Topic Area</th>
<th>% of Dollars</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>22.8</td>
<td>$4.9 billion</td>
</tr>
<tr>
<td>Health</td>
<td>22.7</td>
<td>$4.9</td>
</tr>
<tr>
<td>Human Services</td>
<td>14.9</td>
<td>$3.2</td>
</tr>
<tr>
<td>Public Affairs/Society Benefit</td>
<td>10.9</td>
<td>$2.3</td>
</tr>
<tr>
<td>Arts and Culture</td>
<td>10.6</td>
<td>$2.3</td>
</tr>
<tr>
<td>Environment &amp; Animals</td>
<td>6.8</td>
<td>$1.5</td>
</tr>
<tr>
<td>International Affairs</td>
<td>4.5</td>
<td>$976 million</td>
</tr>
<tr>
<td>Science and Technology</td>
<td>2.9</td>
<td>$635.7</td>
</tr>
<tr>
<td>Religion</td>
<td>2.1</td>
<td>$452.9</td>
</tr>
<tr>
<td>Social Sciences</td>
<td>1.4</td>
<td>$295.4</td>
</tr>
<tr>
<td>Other</td>
<td>0.4</td>
<td>$78.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0</strong></td>
<td><strong>$21.65 billion</strong></td>
</tr>
</tbody>
</table>


Figures represent approximately half of all US foundation giving.
## Disability Funding by Subject Area

<table>
<thead>
<tr>
<th>Topic Area</th>
<th>Percent</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>11.1</td>
<td>$68,075,908</td>
</tr>
<tr>
<td>Health</td>
<td>44.7</td>
<td>273,533,630</td>
</tr>
<tr>
<td>Human Services</td>
<td>35.0</td>
<td>237,697,983</td>
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<tr>
<td>Public Affairs/Society Benefit</td>
<td>1.7</td>
<td>10,748,340</td>
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<tr>
<td>International Affairs</td>
<td>1.4</td>
<td>8,703,888</td>
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<tr>
<td>Arts and Culture</td>
<td>1.0</td>
<td>5,964,043</td>
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<tr>
<td>Social Sciences</td>
<td>0.5</td>
<td>2,804,309</td>
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<tr>
<td>Science &amp; Technology</td>
<td>0.3</td>
<td>1,783,478</td>
</tr>
<tr>
<td>Environment &amp; Animals</td>
<td>0.2</td>
<td>1,478,611</td>
</tr>
<tr>
<td>Religion</td>
<td>0.2</td>
<td>1,370,519</td>
</tr>
<tr>
<td>Other</td>
<td>0.0</td>
<td>67,503</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0</strong></td>
<td><strong>$612,228,212</strong></td>
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</tbody>
</table>

Source: *Grants for People with Disabilities*, The Foundation Center, 2009, covering grants given in 2006 and 2007. Note: figures vary from Foundation Center website citations because of different time periods (15 + months for Grants for PWD 12 months for web stats).
Types of Grantmaking Foundations

• **Community & other public foundations**
  – All pubic foundations actively raise money from donors
  – Community foundations make up just 1% of all foundations, BUT
  – Community foundations give more to disability issues than other types

• **Family & other independent foundations**
  – 89% of all foundations, BUT
  – Give a smaller percentage of their grants to disability than other types

• **Corporate foundations and giving programs**
  – 4% of all foundations
  – Give to disability more than independent but less than community foundations
Disability programs

- Between 2.7% and 5.3% of all foundation grants go to programs for people with disabilities ($579 million x2)
  - Almost 45% of that to health
  - Disability Employment: 3.8% of disability grants in FC system ($23.5 million x2)

- Size matters BUT......
  - Bigger foundations give a smaller percentage to disability than smaller grantmakers

Employment programs (disabled & nondisabled)
- Fall under human services
Health programs

- Social Determinants of Health (SDOH) a growing area of interest to progressive healthcare funders
  - “Health” is only 20% of health care
  - Can’t reduce health disparities unless other factors taken into account.
  - Employment is one factors.
  - Others are the environment, education, poverty, etc.

- An EN proposal should have a lot of potential with an SDOH funder
ENs and Foundation Funding

• EN elements that appeal to foundations
  – Meeting real needs
  – Visibility
  – Small investment, big return
  – Sustainability
  – Systems change
  – Influx of Federal money into communities
  – Employment programs can qualify as “serving basic needs”

• Mentioning these “value added” factors strengthens your submission
Family, community, and corporate foundations are particularly interested in programs that improve the lives of individuals within their communities.

Many corporate foundations especially interested in employment issues.

Family and community foundations may have particular funds set aside for people with disabilities.
ENs and Foundation Funding: Effects of the Economic Downturn


The bad news

– Foundation endowments fell precipitously in 2008. A majority of foundations said they would reduce their grantmaking

– Three out of four foundations saw their assets decline by 25 percent or more, with a higher proportion of independent and larger foundations experiencing such a drop
The good news

- Over 90% of foundations will aid families, provide human services, assist low-income populations, or support economic development

- Over ¾ of those said they would maintain or increase the level of grantmaking in this area or add it as a new area

- A majority are supporting basic skills education or job-readiness skills training
  - 42% support job training and employment assistance

- A third said they were increasing their support for basic needs (food, emergency shelter, utility payments, and employment)
How To Be A Successful Grantseeker
Remember that:

• Each foundation is unique

• Essential to target each proposal to one specific foundation
  – be responsive to all foundation instructions

• “One size fits all” approach doesn’t work
1. Think “Relationships”
2. Do Your Homework
3. Look Locally First
4. Understand the Funder’s Needs
Eight Steps to Successful Grantseeking (cont’d)

5. Talk Before Writing

6. Simplify and Clarify Your Messages

7. Write the Proposal to Suit the Requirements of Each Foundation

8. Don’t Give Up!
Researching Foundations
Researching Foundations

- 65% to 80% of proposals disqualified because they don’t match funder’s interests
- Good research is essential
- Wealth of sources readily available
  - Foundation Center
    - 5 Regional Learning Centers
    - Over 600 “cooperating collections”
    - http://foundationcenter.org/collections/
Online Research

• Learning how to use the Web efficiently is crucial

• Internet guides help structure research using:
  – searchable databases
  – grantmaker websites
  – online journals and periodicals
  – discussion groups
  – electronic mailing lists

• The Foundation Center’s Guide to Grantseeking on the Web  http://www.foundationcenter.org/marketplace
Online Directories/Databases

• Offer a variety of levels of access to information on funders and grants
  – Foundation Directory Online (FC)
    http://foundationcenter.org/findfunders/fundingsources/fdo.html
  – GrantStation http://www.grantstation.com/index.asp
  – Guidestar http://www2.guidestar.org/
  – FoundationSearch http://www.foundationsearch.com/
  – GrantsDirect.com http://www.jankowskiresearch.com/
Specialized Digital Grant Guides

• *Grants for People with Disabilities* (2010, FC)
  – Lists more than 9,000 grants worth over $700 million made by more than 1000 foundations

• *Grants for Employment* (2010, FC)
  – Lists over 625 foundations awarded nearly 4,300 grants worth almost $570 million

• Find both at
  [http://www.foundationcenter.org/marketplace](http://www.foundationcenter.org/marketplace)
Corporate Information on the Web

- Corporations/Execs section of David Lamb’s Prospect Research Page
  http://www.lambresearch.com/CorpsExecs.htm

- Hoover’s Online
  http://hoovweb.hoovers.com/

- Corporate Giving Online
  http://foundationcenter.org/findfundners/fundingsources/cgo.html

- Foundation Directory Online also has corporate grantmaker information
Stages in the Research Process
Stages in the Research Process

• Stage One: Create initial list of prospective funders

• Stage Two: Collect and organize prospect information

• Stage Three: Refine list and conduct in-depth research on most likely sources
Stage One. Create Initial List of Prospective Funders

• Geographical Search

• Type-of-Support Search

• Subject Search
  – Grantmaker Search
  – Grant Search
Stage One (cont’d)
Geographical Search

• One broad sweep to find a few likely national funders

• Then narrow search to foundations focusing on your state or region

• Use national databases like the Foundation Center or GrantsDirect
  – Both have state and local information

• State and local directories and databases also available through Regional Associations of Grantmakers and other sources
Stage One (cont’d)
Geographical Search: Corporations

- Corporations based in or with branch operations in your area
- Typically support communities where their employees live and work
- Corporate foundations included in foundation directories
- Many companies have giving programs—not foundations
Stage One (cont’d)
Type-of-Support Search

Foundations also categorize grants by the kind of operations they support

• Types of grants commonly awarded:
  – Capital support
  – Endowment
  – General operating support
  – Project support
  – Seed money
  – Technical assistance

• Over 50% of grants restricted to development and support of discrete programs
  – Project support and/or seed money most suitable for ENs
Foundation Center Database

- Start with **Grantmaker Search** cross-referencing “disabilities, people with” and “employment”

- Search foundations under “disabilities, people with”

- Search foundations under “employment”

- Using **Grant Search** in the same database, look up “employment” and “disabilities, people with”
Search Grantmakers

Grantmaker Name

Grantmaker Location
  State: Maryland
  County:
  City:
  Metro Area:
  Congressional District:
  ZIP Code:

Fields of Interest: Employment and Disabilities, people with

Types of Support:

Geographic Focus:

Trustees, Officers, and Boards:
Grantmaker Search Results

Results: 1 Grantmaker, 1 Displayed.
Search Criteria: Grantmaker State: Maryland, Fields of Interest: Employment and Disabilities people with

Click on any column header to re-sort your results list. All results will open in a new browser window.

- Select all
- Print/Save Records
- Print/Save List
- Export List
- Save Search
- Modify Search

<table>
<thead>
<tr>
<th>Grantmaker Name</th>
<th>City, State</th>
<th>Total Assets</th>
<th>Total Giving</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goodwill Industries International, Inc.</td>
<td>Rockville, MD</td>
<td>$21,052,224</td>
<td>$11,038,953</td>
</tr>
</tbody>
</table>

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Grant Search Results

Results: 35 Grants matched. 35 Displayed.
Search Criteria: Recipient State/Country: MD, Subjects: employment and disabilities people with

Click on any column header to re-sort your results list. All results will open in a new browser window.

<table>
<thead>
<tr>
<th>Grantmaker Name, State</th>
<th>Recipient Name, Location</th>
<th>Year Authorized</th>
<th>Grant Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abell Foundation, Inc., The, MD</td>
<td>Associated Catholic Charities, MD</td>
<td>2005</td>
<td>$500,000</td>
</tr>
<tr>
<td>Abell Foundation, Inc., The, MD</td>
<td>Empire Homes of Maryland, MD</td>
<td>2008</td>
<td>$150,000</td>
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<tr>
<td>Abell Foundation, Inc., The, MD</td>
<td>Goodwill Industries of the Chesapeake, MD</td>
<td>2004</td>
<td>$180,000</td>
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<tr>
<td>Abell Foundation, Inc., The, MD</td>
<td>Humanim, MD</td>
<td>2007</td>
<td>$500,000</td>
</tr>
<tr>
<td>Abell Foundation, Inc., The, MD</td>
<td>Sinai Hospital of Baltimore, MD</td>
<td>2006</td>
<td>$91,280</td>
</tr>
<tr>
<td>Abell Foundation, Inc., The, MD</td>
<td>Women's Housing Coalition, MD</td>
<td>2005</td>
<td>$25,000</td>
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<tr>
<td>Abell Foundation, Inc., The, MD</td>
<td>Our House, MD</td>
<td>2004</td>
<td>$1,000</td>
</tr>
<tr>
<td>Baltimore Community Foundation, The, MD</td>
<td>Transcen, MD</td>
<td>2006</td>
<td>$15,000</td>
</tr>
<tr>
<td>Bank of America Charitable Foundation, Inc., The, NC</td>
<td>SEEC, MD</td>
<td>2004</td>
<td>$15,000</td>
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<tr>
<td>Cafritz Foundation, Morris and Gwendolyn, The, DC</td>
<td>Goodwill Industries of the Chesapeake, MD</td>
<td>2004</td>
<td>$125,000</td>
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<td>Casey Foundation, Annie E., The, MD</td>
<td>Humanim, MD</td>
<td>2005</td>
<td>$19,555</td>
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<tr>
<td>Casey Foundation, Annie E., The, MD</td>
<td>Our House, MD</td>
<td>2006</td>
<td>$50,000</td>
</tr>
<tr>
<td>Ceres Foundation, NJ</td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
Grant Details

Recipient: Goodwill Industries of the Chesapeake
Location: Baltimore, MD
Zip Code: 21202-3312
Recipient URL: http://goodwillches.org
Type of Recipient: Goodwill Industries
Grantmaker: The Abell Foundation, Inc., MD
Grantmaker Geographic Focus: MD
Grant Amount: $180,000
Year Authorized: 2004
Description: For continued support for SEETTS Program (Supporting Ex-Offenders in Employment, Training, and Transitional Services), workforce development initiative for persons leaving Maryland prisons and returning to Baltimore City
Type(s) of Support: Continuing support; Program development
Subject(s): Disabilities, people with; Economically disadvantaged; Employment, services; Goodwill Industries; Homeless; Offenders/ex-offenders; Offenders/ex-offenders, services
Additional Location Information: County: Baltimore City; Metropolitan area: Baltimore-Towson, MD; Congressional district: Maryland District 7
Recipient EIN: 520591576
The Abell Foundation, Inc.

At A Glance
The Abell Foundation, Inc.
111 S. Calvert St., Ste. 2300
Baltimore, MD 21202-6174
Telephone: (410) 547-1300
Contact: Robert C. Embry, Jr., Pres.
Fax: (410) 539-6579
E-mail: abell@abell.org
URL: www.abell.org

Type of Grantmaker
Independent foundation

IRS Exemption Status
501(c)(3)

Financial Data
(yr. ended 12/31/07)
Assets: $223,159,290
Total giving: $10,136,875

EIN
526036106
990-PF

Donor(s)

Note: If a donor is deceased, the symbol (+) follows the name.
A.S. Abell Co.
Harry C. Black
Gary Black, Sr.

Tools
E-mail
Print/Save
Add to My Alerts

Tag this record:

Tags for this record:
• TTW

Map Grants

Chart Grants

Done, but with errors on page.
Example: “Ticket to Work”

• “Ticket to Work” is not a searchable term in the subject index

• Enter term in “Keyword Search” category—last box in Grant Search mode
Total Results: 10

Search within results

Keywords: "Ticket to Work"

Grants

<table>
<thead>
<tr>
<th>Databases</th>
<th>Grants (7)</th>
<th>990s (3)</th>
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<tbody>
<tr>
<td></td>
<td>Abell Foundation, Inc., The</td>
<td>2005</td>
</tr>
<tr>
<td></td>
<td>Beveridge Family Foundation, The</td>
<td>2006</td>
</tr>
<tr>
<td></td>
<td>California Endowment, The</td>
<td>2004</td>
</tr>
<tr>
<td></td>
<td>Phillips Family Foundation, Jay and Rose, The</td>
<td>2003</td>
</tr>
<tr>
<td></td>
<td>Saint Paul Foundation, The</td>
<td>2004</td>
</tr>
<tr>
<td></td>
<td>See all Grants »</td>
<td></td>
</tr>
</tbody>
</table>

990s

<table>
<thead>
<tr>
<th>Databases</th>
<th>990s</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Health Foundation of Greater Cincinnati, The</td>
</tr>
<tr>
<td></td>
<td>North East Community Action Corporation</td>
</tr>
<tr>
<td></td>
<td>North East Community Action Corporation</td>
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</tbody>
</table>
Stage One: Combined Approach

• Locates foundations that:
  – fund in your geographical area
  – provide project support and/or seed money
  – support employment related programs for people with disabilities
Stage One: Combined Approach (cont’d)

• Browse foundation annual reports and websites

• Make sure to check guides and other resources focusing on health
  – Reference Guide for Health Care Programs and Research
    http://foundationcenter.org/getstarted/guides/health.html
Stage Two: Collect and Organize Information about your Prospects

- Collect basic information
  - Mission statement and core values
  - Main interests
  - Special interests
  - Geographic restrictions
  - Giving patterns
  - Typical grant size
  - Organizations funded
  - Populations served
  - Limitations and exclusions
  - Application guidelines
  - Proposal deadlines
  - Key decision makers

- Use print and online research materials and foundation websites

- Use prospect worksheet
  http://foundationcenter.org/findfunders/wrksheet/
Stage Three: Refine your List; Conduct In-Depth Research; Contact Foundation

• Refine your list
  – Eliminate foundations that don’t fund your type of program or size of project

  – Pick best prospects. Funders with:
    • mission statements, philosophy and priorities close to yours
    • that have supported similar programs to yours
    • have funding cycles that match your needs
Stage Three: Conduct In-Depth Research

- Collect additional information on most promising funding sources
- Look at annual reports, application materials and grant lists
  - Most foundations have these on their websites
- Use form 990 PF for private foundations and form 990 for public charities when you can’t find other information
Stage Three: Contact Foundation

• Determine if they will consider your EN proposal
  – Get beyond receptionist
  – Talk about foundation guidelines and how ENs fit into them
  – Use “Ticket to Work” handout material for foundations to educate funders
    • Download from EN Grant Center
Stage Three (cont’d): Contacting Corporations

- Different companies may have their charitable giving in different departments
  - Public affairs
  - Community affairs
  - Marketing
  - Public relations

- Giving can be spread among two or more departments
  - Departments can have different goals and separate budgets

- How to find contact people
  - Annual report
  - Phone
  - Online
  - Website
• The foundation world is fluid—priorities can change in your favor

• Periodic checking of online periodicals and databases can alert you to updates and changes
  – Periodicals will send you email alerts

• General knowledge of trends makes you a better grantseeker

• See EN Grant Center: www.cessi.net/ttw/EN_proposal/
Training in June 24th webinar to cover:

• How to write letters of intent and proposals that meet foundation guidelines and expectations

• How and when to use “common grant applications” accepted by many foundations

• How to modify EN letter of intent and proposal formats in EN Grant Center to suit the requirements of any foundation or corporate funding program

• Download Letter of Intent and Proposal boilerplate documents from [http://www.cessi.net/ttw/EN_proposal/](http://www.cessi.net/ttw/EN_proposal/) before the training
EN Grant Center: A Proposal Starter Kit for Employment Networks

As an Employment Network (EN) eligible for federal payments through the outcome or milestone payment options, you may not have thought about using foundation funding as seed money or supplemental support for your program. Even though the “new” Ticket to Work pays more money more rapidly than the “old” Ticket, ENs still must cover upfront costs before receiving payments from the Social Security Administration (SSA). You may start off providing services to ten or more beneficiaries, only one of whom may obtain employments. This means that it might take 8 or more months before you begin generating revenue. A foundation grant may be just what you need to establish your EN.

Providing jobs for people with employment challenges is an ideal topic for some foundations, particularly at the local level.

Although many foundations have had to reduce their overall giving because their endowments, comprised of investment income, have been reduced, there is good news for ENs in the current economic climate. Many foundations are responding to the downturn by funding employment related programs—some for the first time. In addition, diversifying your funding base is the best way to insure continued organizational stability. In many ways, an Employment Network program is a business venture, and having diversified funding makes good business sense. Note: Only ENs that are nonprofit organizations and government agencies are eligible for foundation funding. Foundations cannot fund for-profit entities.

The material on this site has been developed specifically for current or prospective ENs interested in seeking foundation or corporate funding. Listed below are the instructions, templates and supporting tools to help you in the proposal writing process:

- General instructions to guide you in writing your applications
- A boilerplate Letter of Intent (LOI). This is a short letter about your project that allows the foundation to quickly...