

Communicating the Best Case for Operating Support in Grant Proposals



**2018 EMERGING PHILANTHROPY
CONFERENCE**

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Charity declares: 100% of your donation goes straight to the cause!



Overview

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- Overhead Myth
- What Are Operating Grants
- Grant Figures
- Philanthropic Trends
- Gift or Grant?
- BFFs
- Operating Grant Checklist

Overhead Myths & Facts

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BBB Wise Giving
Alliance



GUIDESTAR®



CHARITY NAVIGATOR
Your Guide To Intelligent Giving

THE OVERHEAD MYTH

MOVING TOWARD AN OVERHEAD SOLUTION

Published on *Greater Public* (<http://greaterpublic.org>)

The Overhead Myth: What Impact Really Costs

by Amie Miller, *Greater Public* foundation support advisor

What is Operating Support?

Grant Requests – Major Types of Support

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Programs – New or continuing programs and services with direct contact & impact on client / consumer / public.

Capital – Major equipment purchases, IT upgrades, repairs & renovations, vehicles, buildings, infrastructure.

Operating/Overhead – Personnel expenses of executive, fiscal, supervisory, marketing/PR & fundraising; office expenses not supporting direct services; facility maintenance.

Grants not designated or restricted to a specific purpose are available for discretionary use including overhead expenses.

Game Show

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- Guess the value without going over



Total assets of all of the foundations in US?

\$865 billion in 2014

(source: <http://data.foundationcenter.org>)

How many private grantmaking foundations are there in US?

110,099 per IRS

6,600 are in PA

(source: [https://en.wikipedia.org/wiki/Private_foundation_\(United_States\)](https://en.wikipedia.org/wiki/Private_foundation_(United_States)))

Foundations accounted for what % of all giving in 2017?

15% or \$59.28 billion

(Source Giving USA)

Philanthropic Trends*

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**Results of the New Tax Law:
Charitable Giving Doesn't Drop - Not Yet
Top 1% is Giving More - Gap Widens Further
Growing Number of DAF Providers
New Community Foundation Programs to Attract DAFs**

[*https://www.insidephilanthropy.com/home/2018/1/7/philanthropy-forecast](https://www.insidephilanthropy.com/home/2018/1/7/philanthropy-forecast)

Philanthropic Trends*

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Increase in Participatory Grantmaking
Corporate Philanthropy More Strategic, Impact-Oriented
Major Donors are Younger
Trust in Philanthropy
Lean Philanthropy

[*https://www.insidephilanthropy.com/home/2018/1/7/philanthropy-forecast](https://www.insidephilanthropy.com/home/2018/1/7/philanthropy-forecast)

Philanthropic Trends*

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New Money Flows For:
U.S. Poverty & Equity Issues
Climate Change
Opioids
Refugees
Diversity Giving in the Arts
Political Giving

[*https://www.insidephilanthropy.com/home/2018/1/7/philanthropy-forecast](https://www.insidephilanthropy.com/home/2018/1/7/philanthropy-forecast)

Gift or Grant?

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- Major Donor Research*
- Donor Advised Funds
- Individual Donor Decides
- Responds to Annual Appeals
- Requires a Gift Acknowledgement
- FDO Database*
- Foundation
- Board Decides
- Requires a Formal Request: LOI, Proposal
- Requires a Legal Agreement and Report(s)

**PNC Char Trust, Fidelity Char Trust, BNY - Mellon, Pittsburgh Foundation*

Best Fit Funders (BFF)

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Funders that share matching interests with your agency

- Geographic Service Area
- Target Population & Program Areas
- Impact
- Support (Overhead, General Operating, Continuing)
- Amount of Request
- Partner Potential
- Other Criteria (e.g., Faith-based)
- Does not exclude your agency for any reason

Prioritize and Contact Funders

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- 1) Establish matching criteria & search database
- 2) Save lists and profiles of potential BFFs
- 3) Review profiles, websites, social media for current info
- 4) Assess and prioritize top BFFs
- 5) Follow BFFs instructions for initial contact
- 6) Use DAF web tool at <http://www.dafdirect.org> to invite contributions

Capture Funder Interest

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Provide information that meets the funder's guidelines

Write in Plain English, positive conversational tone, no jargon, minimal acronyms

Describe plans in the present / future tense

Best case for operating support: Agency is effectively managed, providing essential programs and services, with specific impact on community problems.

STRATEGIES FOR SUCCESSFUL OPERATING PROPOSALS

Proposal Checklist

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- Executive Summary
- Background Information
- Purpose-Need
- Goal
- Design
- Sustainability
- Evaluation
- Budget
- Attachments

Let's Write Your Case Statement

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- Can you do it in 500 characters or less?

What We Went Over

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Thank you!

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