

PLEASE ROUTE:

EXECUTIVE DIRECTOR \_\_\_\_\_

PROGRAM OFFICER \_\_\_\_\_

CHAIR GRANTS COMMITTEE \_\_\_\_\_

# BUILDING COMMUNITY FOUNDATIONS

GRANTMAKING CONSULTING PROGRAM

*Sponsored by:*

PHILANTHROPIC VENTURES FOUNDATION-  
BILL SOMERVILLE, PRESIDENT

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DAVID AND LUCILE PACKARD FOUNDATION

Bulletin #31  
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## APPLICATIONS

*(Readers may refer to Bulletin #2, September, 1992 for detailed information on application procedures or call (510) 645-1890 for a free copy.)*

There has been considerable interest by bulletin readers in our collection of common application forms used by foundations. We have ten examples of common application forms used across the United States. In most cases they are published by Regional Associations of Grantmakers. Readers can have all ten copies by sending \$5 to the Philanthropic Ventures Foundation to cover mailing and copying.

What is the best application format to use with people seeking funds? First, there are two approaches that can be used; one is an application form with specific questions and space for answers, or there is a *Guidelines for Application* format which states information the foundation wants but allows the applicant to answer in a narrative form. The Editor prefers the later because it allows the applicants to describe their ideas. The application format on the other hand, gets the answers to your questions but also tends to box in the applicant and the expression of his/her idea often suffers.

Regardless of what format you follow, there are some desirable elements of an application process.

- **Abstract Paragraph** If the application begins with an abstract of what the request is about, the foundation program officer can read this in 10 seconds and get an idea if it is even in the ballpark. If not, why read further?
- **Names of Reference Persons** Foundation personnel are not experts in every field they fund. They are experts in getting into the networks of those fields. One way to do this is to request the names, titles, and telephone numbers of three professionals who are familiar with the work of the applicant agency.
- **Idea ~vs~ Problem** It is better to ask what is the idea versus what is the problem. An idea is what one wants to do and how they will do it. To ask "What is the problem?" becomes a code word that the worse the applicant makes it sound, the better the chance of getting the money. An idea is a better philanthropic investment.

## Thoughts On The Application Process

After consulting with over 140 foundations it has become apparent to the Editor that program staff are spending too much time on applications that clearly are not going to get funded. They are either weak, out of the funding range, or not in the foundations funding parameters.

Foundations often turn down up to 85% of the requests they receive. It is important that the foundation staff spend most of their time on the 15% that are promising but indicators are that far too much time is spent on the 85%.

For example, if an abstract paragraph is required, the program officer can almost immediately tell if the application is eligible for further attention versus putting it into a not favored category. This is not to imply superficiality but to say that a program officer who had read hundreds of proposals, who knows the needs of the community, who knows the major players in social services is able to make decisions quickly regarding applications for funds.

Unfortunately, the reality is that program officers are swamped in paperwork, in processing proposals, in doing work that could be speeded up.

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Deadlines for receiving applications are, in reality, a guarantee that the proposal will be considered. There is a flaw in this system because foundations are scheduling applications for consideration that sometimes represent requests for money 20x what is available to give out. This isn't fair to the applicant or to the program officer.

A floating deadline is where the foundation takes in applications for its next meeting until it has \_\_\_x what is available, i.e. a quotient set by the Grants Committee which might be 2 or 3 times the money available but not 20 or 30 times.

Thus when the number of applications received, which are considered eligible for funding consideration, equals the \_\_\_x number; that is the deadline. The overload is taken care of through the "not favored by staff" process.

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An application proposal requesting funding from a foundation is actually a contract. That is, if you fund me I will deliver such and such. If it is seen as such, then everything else falls into place i.e. what to say in the application, how to say it, and how to interact between the applicant and the funder.

Reprinted on the insert page is a copy of Guidelines for Application which the Editor used for 17 years. It is based on research from reading over 50 applications used by private and community foundations. As a symbolic gesture it was made available in seven languages that were spoken in the foundation's giving area.

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If you wanted to, the funder could do away with applications in some circumstances. For example, the foundation staff person meets with the agency staff person, they discuss an idea and develop it to the liking of both parties (a negotiated grant), one of the two writes up what they agreed upon and that write-up is the proposal. Try it. It works and it saves significant time as well as showing trust between the two parties.

## SAMPLE GUIDELINES FOR APPLICATION

Applicants may telephone or submit a *Letter of Intent* briefly describing the project before submitting a proposal in order to find out if their ideas are potentially fundable by the foundation.

**In applying for grants, the following information should be included:**

1. Summary statement.
2. The specific purpose of the funds requested.
3. The need for the project in the community.
4. Qualifications of key personnel.
5. The amount requested.
6. A detailed copy of how the money would be spent.
7. A detailed copy of the latest annual operating budget reflecting expenditures and receipts and a statement of assets.
8. A statement advising how the grant, if made, can be evaluated with regard to the funds going to the agreed upon purpose and/or the effectiveness of the program.
9. Recent grants received and applications pending.
10. Names and members of the Board of Directors and their principal occupations.
11. Evidence that this application has the approval of the Board of Directors - a copy of the minutes of the Board of Directors meeting.
12. A copy of the organization's Internal Revenue Service tax-exempt letter.
13. Names, titles, telephone numbers of three professionals familiar with the work of your organization.

After these materials are received, you will be contacted for a visit if your application is accepted for consideration.

The general policy of the foundation is to make grants for innovative and creative projects, and to programs, which are responsive to changing community needs in the areas of health, social service, education and cultural affairs.

Agencies applying for funds should be serving citizens of (your specific) area.

Foundation grants are made (number) times a year.

***Building Community Foundations***  
**Index of Bulletins**

<b>BULLETIN</b>	<b>DATE</b>	<b>SUMMARY OF CONTENTS</b>
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#2	September 1992	The Application Procedure (with suggested grant application form)
#3	October 1992	Getting Out Into the Community - What's Worth Funding?
#4	November 1992	Risk Taking & Grantmaking - Do They Go Together?
#5	December 1992	Foundation Board/Staff Relations An Element In Good Grantmaking
#6	January 1993	Accountability & Efficiency - Ingredients for Good Grantmaking (with a cash flow chart)
#7	February 1993	Services to Non Profits - New Dimensions that Complement Grantmaking (Funding Library, Management Seminars, Directories)
#8	March 1993	The Site Visit - An Integral Part of Good Grantmaking
#9	March 1994	Foundation Records - How long should you keep them? (with a chart on retention)
#10	April 1994	How to Benefit from Technical Assistance - Using Consultants Effectively?
#11	May 1994	Scholarships - The Most Labor Intensive Grantmaking
#12	June 1994	What Is Worth Funding? (actual examples)
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#15	September 1994	Getting The Job Done Better To Focus or Not To Focus - What Is Better For Grantmaking?
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#17	May 1995	100 Foundations Later (Continued)
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A complete set of the above bulletins is available for \$20 to cover the cost of copying and postage.

## **“On-Site Visits”**

Three day grantmaking visits are available to community foundations. If assets are \$8 million or less, the only cost to the foundation is the consultants living expenses. Foundations with assets above \$8 million include travel. The Packard Foundation covers the consultant’s time.

A typical visit includes:

- ~various discussion periods with the Executive Director and staff members
- ~meetings with Board Chair and other chairpersons
- ~an extended meeting with Board (two hours minimum). Consultant will facilitate the meeting.
- ~meetings with other foundation committees as time permits - grants, development, public

relations, etc.

Optional:

- ~meeting with non-profit executives or visit to some agencies
- ~meeting with radio, press, television persons
- ~meeting of local grantmakers, corporate, private foundations, United Way, etc.

**For further information call (510) 645-1890**

## **Comments on Grantmaking Consulting**

*“You really got the Board excited. You were the best thing for our Board in two years. One member who had decided to resign from the Board changed his mind after the meeting with you.”*

**Roger W. Dewey**  
**Executive Director**  
**St. Croix Foundation for Community Development**  
**Virgin Islands**

*“You not only were informative but you opened eyes, ears, and hearts of a tough crowd (the foundation Board); you have opened doors and new ideas or concepts that I would have been hesitant to pursue.”*

**Diane M. Hendricks**  
**Chair of the Board**  
**Greater Beloit Community Trust**  
**Wisconsin**

*“You helped stretch our imagination and strengthen our ability to serve our communities.”*

**David Irish**  
**Chair of the Board**  
**Petoskey-Harbor Springs Area Community Foundation**  
**Michigan**

*“Some of your ideas have already been adopted and we’re currently investigating additional ways to speed up and improve the grant process, thanks to you.”*

**Maureen M. Michelson  
Executive Director  
Petosky-Harbor Springs Area Fdn, MI**

*“Thanks for leading us through our first staff retreat.”*

**Barbara Raher  
Executive Assistant  
Santa Barbara Foundation, CA**

**~ Reinvigorating Your Board ~  
New Service Available**

The grantmaking consulting program is available to community foundations to meet with Boards of Directors as a speaker on trends in philanthropy and new avenues for grantmaking. This is a one-time appearance and does not involve the consulting tied in with a three-day visit.

The speaker brings to bear experience from consulting with over 140 foundations. Board members gain new insight and increase expectations on themselves and their foundations for conducting grantmaking.

***Building Community Foundations***

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