

# MARCH 1997 DIALOGUE

Number 8

*A Periodic Newsletter for Development Officers*

— Bill Somerville, Editor —

*Dialogue* has received some national publicity and consequently a large number of people have asked to be put on the mailing list.

This publication was started as an experiment, at the request of a development officer. It appears that it is unique in what it is trying to do ~ create a dialogue between funders and development officers. Hopefully, similar publications will come to the fore and help in this dialogue.

**Q:** When a capital campaign slows down, is it appropriate to announce, "Phase One is complete, Phase Two will commence in a few months." until new funding is located?

**A:** This is tricky because if the campaign was originally presented as an effort to raise \$ \_\_ amount, it could cause questions or worse with donors and potential donors.

Maybe capital campaigns should be presented as a multi phase effort as a matter of course to anticipate the possibility of a stall in the fund raising effort.

**Q:** Will you improve or harm your chance to get a proposal funded if your Board members write personal notes of support to foundation trustees?

**A:** This would be a mistake. The foundation Board has hired a staff to investigate grant requests and recommend action. To try to bypass this process could be interrupted by the foundation as anywhere from naive to arrogant.

If a Board member personally knows a foundation trustee, it can't hurt to make contact.

**Q:** "The first sentence of a proposal is all important, if I am not caught by that you have lost me." Is this true?

**A:** No. Having read thousands of proposals, the Editor is put off by a grand slam first sentence. It is the sincerity of a proposal that counts along with being pithy and well organized. Remember, a proposal is a contract. You are asking someone to invest in your idea and you are purposing what you will do for that investment.

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The Philanthropic Ventures Foundation publishes *Building Community Foundations* which focuses on specific ideas for improving grantmaking. It is sent to all community foundations in the United States and Canada. Twenty-six issues have been published in the past four and a half years.

If readers of *Dialogue* would like a sample copy, they should send \$2 to:

Philanthropic Ventures Foundation  
1212 Preservation Park Way  
Oakland CA 94612

**Q:** As a fund-raising consultant to NPO's, I find it difficult to get my clients in with large national corporate foundations where there is no inside contact. Any suggestions for getting started with corporate foundations?

**A:** The Editor contacted the head of a corporate foundation that receives 10,000 requests a year. His advice is, first pick up the phone and call, second send something in writing, third find someone in the corporation, an employee or foundation staff person, and enlist their support.

He complained that people constantly call and say they want to come in to talk. His advice is to send something first and then seek a meeting.

The Editor recommends polling spouses of your staff, clients and their spouses to see if anyone works at the corporation. If so, enlist their help.

**Q:** What can we as grant applicants do to encourage either a common application or grants based on a letter of inquiry followed by personal conversations?

**A:** There are efforts to create common application forms. Sample forms can be obtained by calling:

Northern California Grantmakers	(415) 777-5761
New York Region Association of Grantmakers	(212) 714-0699
Council of New Jersey Grantmakers	(201) 267-5533 x 20
New Britain Foundation/Greater Hartford Area	(860) 229-6018

Call these to the attention of funders in your area.

**Note:** The following statement by the Editor was sent to all community foundations.

#### **GRANTMAKING WITHOUT PROPOSALS?**

It would have been revolutionary one year ago to suggest that airline passengers travel without tickets but it is routine today. Would it be possible for foundations to operate without proposals from applicants?

**Assumption:** Good grantmaking requires foundation program staff to be out of the office a majority of the time. This is time spent finding and visiting creative people in the community; people in the human service sector who are undertaking programs that relate to the quality of life in a given area.

When meeting with such people, the foundation representative can hear ideas from program people, can assess possibilities for such ideas to be tried out, and can negotiate ways of proceeding with these ideas. Such negotiations are the basis for agreeing on a grant. Either the foundation person or the program person can write up an agreement letter based on the negotiations that took place. This letter of agreement is the proposal and a grant can be given on the basis of what it says.

Thus, we have grantmaking without proposals; grantmaking which is creative, responsive, and which takes a minimum of paper work.

**Q:** We are an organization that has been around for 28 years. We need operating support to continue current programs. How do we get foundations interested in funding continuing successful programs as opposed to new “flashy” projects?

**A:** We have dealt with this question and will continue to deal with it many times. It is the Editor’s point of view that a significant role for foundations is to be first funder, to help established agencies tackle new challenges, to urge established agencies to try new programs. Such programs, of course, should pay their way in terms of operating overhead. The bigger question though, is that we are not very good at solving social issues such as teen pregnancy and doing the same old thing simply is not enough. We must be more dynamic. This is true with just about every agency. The role for foundation money is to get people to venture, to take risks, to be able to have failures and successes. How else is this world going to get better?

What do you, the reader, think?

**Q:** Why is it that foundations are reluctant to fund general operating or existing programs? It seems to force non-profits to try to think of new programs just to receive funding instead of concentrating on what programs are working consistently.

**A:** “Consistent” and “Successful” programs are determined by the eyes of the beholder. Maybe, rather than to tell people one is doing a good job, it would be better to ask “what more could we be doing?” The Editor has yet to meet a program executive that doesn’t have dreams about how to make the program better and the Editor feels these dreams should have their space in time too.

**Q:** Many foundations will not fund organizations that receive any government money. Social service organizations particularly those providing residential treatment usually receive government “fees for service.” However, these fees rarely cover the full cost of service. If an agency is doing significant work, why wouldn’t a foundation fund the shortfall?

**A:** How many shortfalls are there out there? This is a question about mixing the political dollar (government money) with the private dollar (philanthropic money). The Editor feels it is arbitrary to say never will they mix - they come together all the time but one needs to understand the genesis of the two “dollars.” One is given on influence - trying to convince legislators to allocate money for this and that. The Other, hopefully is given on a more objective plain wherein the worth of the effort determines the decision to fund. (Unfortunately, this isn’t always the case.)

To ask foundations to make up for the lack of government funds is to miss the point of what the non political dollar can do for our society.

**Q:** Is there any difference in the way I should approach a corporate giving program as opposed to a foundation? How can I find out more about corporate giving programs in general?

**A:** Corporations tend to give in the geographic areas where their headquarters are located, where they have outlets, where their employees live, and to things their employees are involved in. Community foundations tend to give in their immediate areas. Private foundations give in special subject areas. With requests to corporations, try to enlist someone in the corporation to vouch for your proposal. Don’t overlook contributions of things from corporations.

The Foundation Center (212) 620-4230 produces the *National Directory of Corporate Giving*. The Independent Sector (202) 223-8100 publishes *Resource Raising: The Role of Non Cash Assistance in Corporate Philanthropy*.

## Comments On "Dialogue"

*"I find Dialogue extremely interesting and timely and especially enjoy the "insider" information from program and foundation directors."*

Marge Rafato  
Peninsula Oral School for the Deaf  
Redwood City CA

*"This isn't a question; it's a fan letter. This is so good that I couldn't bear it if you cut me off the list. I'm passing Dialogue on to the leadership of my organization to give them a view of what fund raisers do - thanks."*

Marilyn Shaw  
San Francisco CA

The following question was submitted by Henry Rosso CFRE, founder of The Fund Raising School.

**Q:** Should not-for-profit organizations assert themselves to define their mission and vision so that the community would understand them more and have a feeling for the organizations and the integrity of their work that fulfills the mission and vision?

**A:** Yes.

Fax your questions for DIALOGUE to (510) 645-1892:

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