

# DIALOGUE

*A Periodic Newsletter for Development Officers*

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-- Bill Somerville, Editor --

*Dialogue* is published to help improve relations between funders and development officers. *Dialogue* was started at the request of a development officer. The questions in this issue were sent in by readers of *Dialogue*.

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**Q: How does a small agency know when it is ready to hire a development director?**

**A:** It's ready when the needs of the agency exceed the ability of the executive director to raise money.

**Q: We will be hiring a marketing consultant for when we "go public". What should we look for in a consultant?**

**A:** Someone with a track record, sensitivity to your organizations issues, media savvy and good references. Have the person submit a plan before hand. Hire someone you have confidence in vs. a friend of a Board member or a well-known personality.

**Q: As a new and learning grant writer I would appreciate some more suggestions on how to get to know funders.**

**A:** Try to create "meet the grantmaker" sessions in your area. Community foundations often sponsor these. Call the funder and discuss your program. Be prepared for the call, don't meander around without specifics. Invite the funder for a site visit. Put the funder on your mailing list. Check in with the funder periodically.

**Q: Is a "membership" payment tax deductible when no material benefits are received?**

**A:** Assuming the membership organization is a 501 (c) (3) and you get nothing, yes. In this sense, membership is basically a form of contributing to the organization.

**Q: What are the best ways to engage in advocacy with foundations to impress upon them the importance of increasing funding in an organization's field?**

- A:** In the San Francisco Bay Area the Northern California Grantmakers often creates task forces made up of foundation personnel to focus on an issue such as AIDS, homelessness, military base conversion. Check with your regional association of grantmakers (RAG) to see if there is the possibility of convening funders over an issue.
- Q:** **Do you foresee *Dialogue* becoming available by fax or e-mail? It can be faster, cheaper, and even allow for interaction with readers on the World Wide Web.**
- A:** Good idea. What do other readers think?
- Q:** **What tips and strategies can you provide to small agencies who have established designated funds with a community foundation?**
- A:** Possibly the community foundation would be willing to add to the fund, and to list the fund in the foundation newsletter. If donors know the foundation and the foundation vouches for the agency, there is a better chance of raising money.
- Q:** **Can you address when it makes sense for an agency to hire a grant writer (independent contractor vs. staff position)?**
- A:** Unless you are a large agency with a specialist for grant writing, then you would hire someone on contract but don't undersell your own ability to write a proposal. The editor far prefers a proposal written first hand.
- Q:** **Because we are a US Territory (Virgin Islands), foundations say we are outside their region but we don't qualify for international foundations. What do you suggest?**
- A:** There are two community foundations in the Virgin Islands. Both have donor advised funds that could lead to possible donors. Research foundations under your type of work at the Foundation Center collection on St. Thomas (776-9200).
- Q:** **Funders like a winner but how do I show success without appearing too successful? A foundation refused us because we had already received some meaningful grants.**
- A:** One needs to make the total picture clear; what is needed and what has been raised. Be factual not boastful. Refer foundation program officers to one another so that those who voted yes can say why to those whose decision is pending.
- Q:** **What does venture philanthropy mean?**
- A:** The editor first used the term in 1985 but since a March, 1997 article in the Harvard Business Review and a rebuttal November, 1997 in Foundation News the term has gotten more attention. As used by the editor, the term borrows from

venture capital work, wherein the foundation staff is out of the office looking for good people doing good work vs. waiting for the mail; the foundation grant is an investment, not giving money away, and there is a willingness to risk (venture) meaning the program might not work out but its worth trying. Lastly, rather than measuring success in terms of income one looks for impact in the community.

**Q: What kind of gift policies should we have in place?**

**A:** No gifts to funders! Show appreciation with a thoughtful letter, telephone call, up beat reports on your project with pictures. Invite a site visit and have an in-house lunch.

**Q: What percent of proposals do foundations fund?**

**A:** The editor is aware of many foundations that fund 15% of the proposals they receive. Follow-up question: What **happens to the other 85%**? It isn't the same 85% being turned down by foundations. Agencies go to other funding sources, they go back and try again, they try a new idea.

**Q: What do funders want to see in the evaluation component? I don't want to over evaluate.**

**A:** The editor is recommending to funders that they give a \$7 one-time use camera to grantees so they can send pictures back. In addition the grantee should give a detailed account of how the money was used and a short narrative about how the program is going. The grantee would be wise to invite a site visit by the funder. Stay in touch with the funder with calls or notes about your progress.

**Q: If our request is rejected, can I call and ask what I should improve and if I should resubmit?**

**A:** It is OK to call but be careful in what you ask. Some applicants ask what was wrong with the proposal, they try to reword those things, and they resubmit as if to delete the negative makes for acceptance. Remember the proposal is in competition with other requests which might be more compelling regardless of how well it was written.

Past copies of *Dialogue*, Number 1 (February 1996) to 14 are available as a unit for \$5 to cover the cost of copying and mailing. For a complete set send \$5 to:

**Philanthropic Ventures Foundation  
1212 Preservation Park Way  
Oakland CA 94612**

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## **This is your last *Dialogue***

If we didn't hear from you after our September issue (sending by fax the last page with your address) we will be dropping your name from the mailing list.

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## **Comments on *Dialogue***

"I frequently get new ideas to learn or share."

"Solid reading. Keep it coming."

"It's great - keep me on the list."

"I look forward to receiving *Dialogue*. It is very informative."

"You answer good questions."

"I find *Dialogue* interesting, informative, and helpful."

"Always useful."

"I like the succinct Q & A format. I always pass on my copy to our Director of Development."

"Excellent information for fundraisers. Keep it coming."

"I like the direct, no nonsense advise."

"Always enjoy this publication."

"I almost had a proposal bound today and your Q&A reminded me that this isn't the best practise."

"I like the simple format and dialogue. Very useful."

"It's been invaluable."

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**Fax your questions or comments for *Dialogue* to: (510) 645-1892**

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