

DIALOGUE

A Periodic Newsletter for Development Officers

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*.

Q: We applied for a foundation grant ages ago and still no decision has been made. (Yes, we followed up and were told that "due to illness, cancelled meetings, etc." no decisions were available.) What should we do?

A: It sounds like the foundation in question is small. Continue to follow up but go elsewhere as well. If they come through belatedly and you got the money elsewhere already, propose to them another idea similar to the original concept.

Q: Can you please address how elder donors generally relate to advanced technology in fund raising. For example, are they interested in e-mail addresses and web-sites, or should one always stick with the "tried and true" methods such as phone calls and personal contacts?

A: Our survey shows that all donors prefer personal contact, some eschew e-mail. There is no harm though, in listing your e-mail address and web site.

Q: We find it so frustrating when funders state they do not want to support operating costs. What do we do?

A: This question comes up in each issue. It seems the two parties (applicant and funder) are speaking two different languages. The funder does not want to be called on for the "same ole thing" because there is no end to this need. The applicant says "how do I sustain?" Ask for project money, create a 'package' to be funded and put overhead costs in the request. Try to illustrate the dynamic qualities of your work vs. the 'same ole thing'. Help funders to understand the quality factors of your work and be persistent.

Q: What does "seed money" include? How can we get reimbursed for our out-of-pocket expenses while incorporating?

A: If you want money to get something started, be able to show that you have something more than idealism to be able to pull it off. Never ask for reimbursement; obviously you had the money to do it and now you are asking for someone to repay you. Community foundations and public charities can give you start up money even if you aren't yet incorporated.

Q: Should I spend any time on funders whose interest is "primarily" outside my geographic location?

A: Give them a try. Show how your work relates to the funder's areas of interest. Offer to share your results with anyone the funder refers.

Q: Some foundation staff seem too busy to take a phone call before I submit a letter of intent or proposal. Is this really the case? Don't foundations have the money to hire enough staff?

A: Keep trying but remember the coin of the realm in dealing with foundations is the written word, so put it in writing and then follow up.

Q: I get frustrated by a foundation's inability to "commit", i.e. to give more than one year of funding at a time. Wouldn't it save all of us time if they would commit to 2 or 3 years of funding?

A: Ask the foundation to consider 2-3 year funding and do it one year at a time i.e. based on your first year's work, a decision would be made to give further support.

Q: Would other foundations be interested in responding to a challenge grant from another foundation?

A: Be cautious here. There is nothing magic about a challenge grant. It means one funder didn't give you all you needed. The best approach is to talk about support and that you have so far raised _____% of what you need.

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 94612-1201**

Did You Know.....? *

- ❖ As of 1995 (the latest figures available), Federal Reserve research found that the wealth of the top 1% of Americans is greater than that of the bottom 95%.
- ❖ Wealth projections through 1997 suggest that 86% of stock market gains between 1959 and 1997 went to the top 10% of households while 42% went to the most well-to-do 1%.
- ❖ Though average household income rose 10% between 1979 and 1994, 97% of that gain was claimed by the most well-to-do 20%.
- ❖ In 1973 the income of the top 20% of American families was 7.5 times that of the bottom 20%. By 1996, it was 15 times.
- ❖ Business Week reports that in 1999 top executives earned 419 times the average wage of a blue-collar worker, up from 326:1 in 1998. In 1980, the ratio was 42:1.
- ❖ In 1982, inclusion in the Forbes 400 list of richest Americans required personal wealth of \$91 million. The list then included 13 billionaires. By 1998, \$500 million was required and the list included 189 billionaires.
- ❖ The combined net worth of the Forbes 400 was \$738 billion on September 1, 1998. That's up from \$624 billion in 1997. That's an average one year increase of \$285 million per person. That works out to \$780,000 per day or \$32,500 per hour (\$541 per second).
- ❖ Microsoft CEO Bill Gates has more wealth than the bottom 45% of American households combined.
- ❖ The United Nations Development Program reported in 1998 that the world's 225 richest people now have a combined wealth of \$1 trillion. That's equal to the combined annual income of the world's 2.5 billion poorest people.

***Data compiled by Shared Capitalism Institute; Atlanta, GA.**

www.sharedcapitalism.org

For a more complete three-page listing of current trends, fax your request to (510) 645-1892.

Out of the Ordinary Funding

The Philanthropic Ventures Foundation created the Teacher Resource Grant Program with notices to 6000 teachers in one county that if they wanted a grant of \$500 for an excursion, resource materials, or professional training, they just needed to fax their request. They got an answer in an hour and a check in a day. The program has operated for three years and given out \$350,000.

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We'll Try E-Mail

If you would like to get *Dialogue* by e-mail, please send us your e-mail address. Otherwise, we'll send it via regular mail.

Our E-mail address is pvf@lmi.net

Comments on Dialogue

“*Dialogue* is a vehicle for me to get my questions answered in a candid way. When I need to know about some fund raising "etiquette" or protocol, I turn to *Dialogue*.”

“Unlike other publications, I read *Dialogue* as soon as it arrives in my mailbox. I know there will be something in it that speaks directly to me.”

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