

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. Readers are invited to submit questions. *Dialogue* can be received by US post or e-mail.

ABOUT THE EDITOR

Bill Somerville has been in nonprofit and foundation work for 42 years. His funding experience includes directing a community foundation for 17 years and founding and directing the Philanthropic Ventures Foundation for the past 11 years.

Bill's extensive consulting practice through Philanthropic Ventures Foundation has recently received its ninth year of funding from The David & Lucile Packard Foundation. The consulting is for community foundations and focuses on improving grantmaking and operations. Thus far, Bill has conducted on-site consulting sessions at over 250 community foundations throughout the United States, Canada, and the United Kingdom.

Philanthropic Ventures Foundation is a demonstration foundation that establishes new dimensions in grant making. It customizes giving for donors and initiates all of its giving in special programs. The Foundation has no deadlines, no application process, and gives grants in a 24-hour turnaround time. PVF announces grant programs on a local television station reaching over one million viewers. PVF creates unique programs for donors and negotiates with agencies to get them to try new approaches in dealing with social issues.

Philanthropic Ventures Foundation gives out between \$4 and \$5 million a year in grants.

Q: If today's grant is tomorrow's overhead, why do foundations keep pushing new programs? What about the "tried & true" program?

A: "Tried & true" is tricky. It might be "tried" but there is always room for improvement and to imply a program should remain the same is a mistake. However, if you feel a foundation is trying to move you in an inappropriate direction, break off the relationship or try to reason with the foundation staff.

Q: Do you have advice on putting a new twist on an old program?

A: Forget the concept of “new twist” and focus on improving what you do. Show the funder that you are dynamic in your work.

Q: **How do you measure impact of a grant?**

A: Your feedback is the most important source for measuring impact. Impact means significance. What are the meaningful elements of the program (which the grant supported)?

Q: **Are there priorities in grantmaking?**

A: The Editor uses three: vital, important, desirable. Vital helps people to become independent. Important would be something like the arts. Desirable would be, “It would be nice to have another van.”

Q: **What do you think of having interns?**

A: College student interns are a wonderful way to bring young people into the nonprofit sector bringing fresh perspectives to the agency. For example, the Editor places five Stanford students in foundations for the summer (12 weeks at \$5,000 each) and three Stanford graduates at foundations of their choice (11 months at \$27,500 each). The same could be done for nonprofit agencies.

Q: **Why do some large foundations give nationally and internationally, but not in some areas in close proximity?**

A: Large foundations seem to have “themes” to which they give, e.g. population, environment, arts, etc. Large family foundations give where the family, or a family member, has an interest in a particular project. Large foundations give in their local metropolitan areas or states but on occasion they will shut out a region because it is already well funded.

Q: **Do you ever ask yourself what benefits are derived from forced collaborations (I call them unnatural alliances)? Seldom does a nonprofit work in isolation. The world is far more interdependent than that.**

A: Many foundations say they like to see agencies collaborating. They feel more can get done that way. Maybe foundations need to be made aware of the collaborations that already exist so they don’t try to create “unnatural alliances”.

Q: **Who gives technical assistance grants? Do you think they’re a good idea?**

A: One of the largest foundations in the nation has stopped using the term technical assis-

tance and now uses “operational effectiveness”. They did this because they found agencies were reluctant to ask for assistance. In asking for an assistance grant, be specific about what is needed, who will help you, how you will use them. Almost all foundations would be open to a request for making your program more effective.

Q: Most of an organization’s costs are personnel (i.e. salaries and benefits). Given this reality, how do I justify it when a foundation says they don’t want to cover overhead? The reality is people run programs.

A: If you are asking for funding for a special project, make this request a “package” so everything is self-contained such as a 1/4 time coordinator etc., even though the coordinator is also on the agency staff. This might satisfy the funder that is concerned about funding overhead.

Q: When I want money from a foundation and one of my board members knows one of the trustees, I will usually ask the board member to call the trustee. This once was a major *faux pas*, is it still?

A: You have to be careful that the foundation staff person doesn’t feel you went over their head because this could create antagonism. There is nothing wrong with people talking to whoever and with your board member developing the credibility of your agency.

COMMENTS ON *DIALOGUE*

“I am a big fan of *Dialogue* and have recommended the publication to many of my nonprofit clients. I especially appreciate your straightforward approach and that you are very successful at de-mystifying the whole grantseeking process. In fact, your words helped inspire me to write my book, *Storytelling for Grantseekers*, which was recently published by Jossey-Bass. You frequently advise nonprofit professionals to simply ‘tell their story.’ I think this is especially valuable advice and a concept I wanted to share with others in the nonprofit field.”

Cheryl A. Clarke
Fund Raising Consultant
Mill Valley, California

Storytelling for Grantmakers
The Guide to Creative Nonprofit Fundraising
by Cheryl A. Clarke
Jossey-Bass 2001 josseybass.com
\$26

“Thanks for sending the latest issue of *Dialogue*. Always great, pertinent information that cuts to the quick of the grantor/grantee relationship. Love it.”

Elizabeth Chatalas, Principal
Connective, Inc.
Brooklyn, NY

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Why do they...?

Why is it that...?

Do you have a burning question?

Ask us any question regarding funding from the private sector and we'll get an answer for you!

Write to "Questions for Dialogue" at:

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