

This document is a workbook for the USDN Federal Funding Workshop:

From Foundation to Funding: Building Partnerships to Power Philanthropic Success

Download a copy of this workbook for yourself to do the activities below

Best Practices for Cultivating Relationships with Funders

It will be crucial to develop relationships and get to know the program staff, foundation staff, and the board members of any philanthropic organization that you plan to request funding from. Building these relationships before applying for funding helps you understand if there's a good fit and how to position your request effectively. The following are some best practices for cultivating relationships with funders that may lead to long-term funding opportunities.

Leverage Mutual Networks - The nonprofit community is small, so you want to leverage what connections you have to make an introduction to funders. This helps you to stand out, establish trust, and build rapport. Most foundations don't accept unsolicited proposals or requests; find a strong advocate for your community that can introduce a project or concept to them and if it is compelling, they will want to learn more. Cultivating relationships with philanthropic partners can take years. If you don't have mutual connections, here are some suggestions on where to start:

- Check out their About Us page to identify Program Officers and Foundation Staff, as well as board members.
- Look at a foundation's social media pages (LinkedIn, Facebook, Instagram, etc.). ID city/county/town connections to key foundation personnel using LinkedIn and other resources.
- Reach out to your own community partner organizations' network, including their Board of Directors and their connections to see if they have connections with the potential funder.
- Connect with those who have been funded in the past by the prospective funder.

Research Thoroughly Before Approaching - If you've met one foundation or one funder, you've met only one foundation or funder. Do your research before applying for a grant and in building your relationship with the key decision-makers.

- Every funder is unique - understand their specific objectives/priorities
- Know who makes decisions and what types of projects and activities they typically fund
- Match your proposed projects and programs to their priorities

Master Your Communication - Tailored, nuanced communication is crucial to good long-term relationships. The way you communicate will depend on the organisation, the program, and the fund. If you want to ensure ongoing funding, you must be prepared to commit to a long-term communication strategy.

- Ask funders about their preferred communication methods and frequency
- Share regular updates on program progress
- Tell compelling success stories about your current projects, that demonstrate impact
- Keep communications tailored and relevant to the funder's priorities

Demonstrate Organizational Strength & Have your house in order - Funders want confidence that your project team has the capacity to manage their grant, and will expect you to demonstrate that capacity through successfully completed projects and strong partnerships with community partners.

- Show strong governance and financial stability (applies to all project partners)
- Maintain an engaged, knowledgeable leadership team
- Document clear evidence of community consultation
- Highlight collaborative approaches with community organizations/partners

Build Trust Through Transparency - When building new relationships with potential funders be ready to:

- Be honest about your funding needs and challenges
- Keep funders informed of both successes and setbacks
- Seek and act on funder feedback
- Show you're listening, not just asking

Ensure Your Proposal Aligns with Community Need - Funders will evaluate your proposal for the following:

- Clear evidence of unmet community need
- Specific impact that funding will achieve
- How your work complements existing services
- Realistic timelines and outcomes

Start to Prepare Your Ingredients Before Approaching Funders

You don't need all of these ingredients fully baked prior to approaching funders. Unlike seeking federal funding, this process is more art than science. There's no checklist that once completed will automatically result in your community receiving a philanthropic grant. Seeking funding from a philanthropic organization is a co-development process. You want to approach funders with some of this information to make a compelling initial pitch, and then you may need to collect all of these ingredients to develop your final funding proposal. It's a balancing act. Think of the initial pitch as - *Our community thinks X,Y,Z activities would be helpful to address A,B,C challenges in a target neighborhood..* And then you ask the funder if they are open to a conversation about supporting your concept. If they are, you may be invited to submit a proposal.

INGREDIENT	CONSIDERATIONS FOR YOUR INITIAL PITCH	CONSIDERATIONS FOR YOUR FINAL PROPOSAL
Eligible project partners	To the extent possible, ensure that a funder is willing to fund local governments.	Community organizations will need to show their IRS letter of determination. You can learn more about filing for 501(c)(3) status here .
Be a good steward of any grant funds received	Demonstrate to funders that the project partners have the capacity to lead and are well-prepared for the financial management of a philanthropic grant. Do this by sharing some details about each partner's history of managing previous grants.	Demonstrate financial accountability and transparency to signal that you're ready to handle new funding responsibly. Start by: <ul style="list-style-type: none"> • List previous grants received and successfully managed • Include grant amounts and sources • Note key achievements and financial milestones • Highlight examples of effective financial management practices • Prepare a summary of each partner's financial management systems and HR policies

Be financially viable	<p>Funders like to see that potential grantees have a diverse revenue stream. Demonstrate this by sharing the other funding sources (if known) that will be leveraged to finance your program or project long-term.</p>	<p>Develop a comprehensive funding strategy that shows financial sustainability. Start by:</p> <p>Map out your current revenue sources for your project, including:</p> <p>Create a plan showing how you'll fund your project long-term:</p> <ul style="list-style-type: none"> ● Identify potential new funding sources ● Show timeline for approaching different funders ● Include realistic revenue projections ● Outline your strategy to gradually diversify income <p>Prepare a budget that demonstrates:</p> <ul style="list-style-type: none"> ● How different funding sources will cover specific project components ● Your plan to sustain activities after the grant period ends ● Realistic contingency plans if expected funding doesn't materialize.
Possess a successful history of implementing effective community programs and projects	<p>Share examples about your project team's impact in the community to date.</p> <p>Demonstrate to funders that you understand your community's needs and can deliver meaningful results. Do this by:</p> <ul style="list-style-type: none"> ● Prepare a clear description of your community's needs. ● Make the connection between your community needs and your proposed program/project. 	<p>Document specific ways your work has made a difference, including:</p> <ul style="list-style-type: none"> ● Key statistics and metrics from past programs ● Success stories and testimonials from community members ● Concrete examples of positive changes achieved <p>Collect data and stories to demonstrate your community's needs, including:</p> <ul style="list-style-type: none"> ● Recent community assessments or surveys ● Demographic data and trends ● Direct feedback from people you serve ● Examples of how you've adapted your programs based on community input <p>Show the connection between community needs and your proposed project by explaining:</p> <ul style="list-style-type: none"> ● Why you chose specific approaches ● How your solutions address identified challenges ● What makes your approach effective

Get to know the funders priorities and strategies for distributing funding	<p>Explain how your proposed project aligns with the funder's goals and could advance their strategy. Do this by:</p> <ul style="list-style-type: none"> ● Review the funder's strategic priorities and partnership approach ● Review their mission statement and strategic plan ● Note their definition of sustainability ● Identify specific outcomes they value ● Understand their theory of change ● Identify any capacity building support offered to grantees 	
Determine if your type of project is of interest to foundations	<p>Research potential funders thoroughly to ensure their funding is the right match for your proposed project. Start by:</p> <p>Create a profile of each potential funder:</p> <ul style="list-style-type: none"> ● Review past grant recipients, and identify if any funded projects similar to yours ● List the types and sizes of grants awarded, and if this is enough. ● Note their stated funding priorities and if any alignment with your proposed project goals ● Document any geographic or demographic focus areas ● Identify typical grant periods and reporting requirements, and to see if this aligns with your capacity. ● Review their evaluation process. 	
Create a Clear and compelling ask	<p>Develop a project summary and anticipated outcomes that you believe will address the community needs.</p> <p>Prepare a budget estimate.</p> <p>Practice presenting your project by:</p> <ul style="list-style-type: none"> ● Create a brief elevator pitch ● Develop clear examples of anticipated impact ● Identifying potential challenges and solutions ● Develop a one-pager on the proposed project and project team that can be shared with prospective funders 	<p>Create a project description that includes:</p> <ul style="list-style-type: none"> ● Specific activities and timeline ● Key milestones and deliverables ● Roles and responsibilities ● Implementation strategy ● Required resources <p>Define measurable outcomes by:</p> <ul style="list-style-type: none"> ● Setting clear success metrics ● Identifying data collection methods ● Establishing baseline measurements ● Creating realistic targets ● Planning how to track progress <p>Prepare a project budget showing:</p> <ul style="list-style-type: none"> ● Income sources, including in-kind ● Detailed cost breakdowns ● Staff and operational expenses ● Equipment and material needs ● Administrative costs ● Any in-kind contributions

Philanthropic Funding Resources

[Funding trends 2024 - Climate Change Philanthropy](#) - A brief analysis of overall philanthropic funding for climate mitigation in 2023 from foundations and individuals, including trends and gaps across sectors, strategies, and geographies.

[Community Foundations: Snapshots of Public-Philanthropic Partnerships](#) - Examples of projects funded through government and philanthropic partnership, and lessons learned through these collaborations.

[Philanthropy Classification System](#) - Learn about the taxonomy of charitable giving organizations, the work of grantmakers, recipient organizations, and the philanthropic transactions between those entities.

[List of philanthropic organizations and networks](#) organized by sector and region they serve

[Environmental Grantmakers Association Resources](#) for grant seekers working in the environmental space

Resources to help you find philanthropic funding - Subscribe to funders' e-newsletters and follow profiles on LinkedIn to stay up to date on trends and see when competitive grants may become available.

Use a grant research database to find aligned funders – [Foundation Directory](#) is one (and may be available through your local library); others include [GrantStation](#), [Instrumental](#), and [grantmakers.io](#)

[Community Foundation Locator](#) - Find community foundations in your area by searching the locator map.