How to Succeed in Obtaining Foundation Support for Your Research

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Topics to Be Covered Today

- What is a Foundation?
- Recent Trends in Foundation Giving
- Foundation Grantwriting
- Building Relationships With Foundations
- How the Development Office Can Assist You
What is a Foundation?

- A foundation is an entity that is established as a nonprofit corporation or a charitable trust under state law, with a principal purpose of making grants to unrelated organizations or institutions or to individuals for scientific, educational, cultural, religious, or other charitable purposes.

- Two types:
  - **Private foundations** where most of their funds come from one source, whether an individual, a family, or a corporation
  - **Public foundations** receive their assets from multiple sources, which may include private foundations, individuals, government agencies, and fees for service
    - Also referred to as public charities that have a primary purpose of making grants
    - Examples: American Heart Association, Ms. Foundation, Susan G. Komen for the Cure

What’s in a Name?

- Not all organizations called foundations are private grantmaking foundations
- Conversely, not all private foundations use “foundation” in their name

- Private Foundations
  - Ford Foundation
  - Rockefeller Brothers Fund
  - Irma T. Hirschl Trust

- Public Foundations or Charities
  - Autism Speaks
  - National Hemophilia Foundation
  - Community Foundation of New Jersey
Why Foundations Are Relevant to You

- Pay-out Requirement
  - All grantmaking foundations must pay out at least five percent of their assets in the form of grants each year

- Public Reporting
  - All foundations are required to file Form 990s each year

Other Types of Grantmakers

- Community Foundations
  - Subgroup of public foundations, serve a specific geographic area, assets come from funds set up by multiple donors
  - New York Community Trust

- Corporate Giving Programs
  - Charitable giving programs that are not separate legal entities from parent corporations
  - Pfizer, Goldman Sachs, Chase

- Donor-Advised Funds
  - A donor makes a contribution to a fund and then specifies how and when the money is used, provides tax relief to the donor
  - Fidelity Investment Charitable Gift Fund

- Federated Giving Programs
  - Fundraising efforts administered by a nonprofit umbrella organization that distributes the funds to several nonprofit agencies
  - United Way and United Jewish Appeal

- Religious Organizations
  - Funding from churches, temples, and other religious organizations not recorded in tax records
Giving USA 2007

- Charitable giving in the U.S. in 2006 reached a record high of $295.02 billion
- Giving from individuals accounted for 75.6 percent
- Corporate giving totaled $12.72 billion or 4.3 percent of giving in the U.S.
- Foundation contributions accounted for 12.4 percent

Foundations and Their Giving Continue to Increase

- There are more than 71,000 foundations in the U.S. today
  - Three hundred percent increase since 1980
- Foundation giving in 2006 totaled $40.7 billion, up $4.3 billion or 11.7 percent from 2005
- 59.7 percent of foundations surveyed in early 2007 expected to raise their giving in the current year
- After inflation, grant dollars have more than doubled since 1996 ($13.8 billion in 1996)

Source: The Foundation Center, Foundation Growth and Giving Estimates, 2007
What Do Foundations Fund?

Source: The Foundation Center, Foundation Giving Trends, 2006

Other Trends in Foundation Giving

- Less is more – shorter proposals!
- Online grant applications
  - Technical requirements
  - Can be time consuming!
- Proliferation of nonprofit organizations
  - Competition for grants continues to increase
- Collaboration requirements
  - Complicates grant development
Future Trends

- The Economy
  - Foundations’ assets ebb and flow as the stock market fluctuates
  - Impacts the amount of funds foundations have to disburse

- Intergenerational Transfer of Wealth
  - Over the next 50 years, at least $6 trillion will be transferred to boomers for charitable giving

- Broader and More Diverse Funding Base
  - More sources of funding than ever, serving a greater number of program interests and populations

- Venture Philanthropy
  - Foundations applying traditional business concepts to the activities of nonprofits

Foundation Grantwriting

Techniques for Converting Your Government Grant Into a Foundation Proposal
Eight Components of a Foundation Grant Proposal

- Proposal Summary
- Organizational Information
- Problem Statement or Needs Assessment
- Project Goals and Objectives
- Project Methods or Activities
- Project Evaluation
- Project Funding and Sustainability
- Project Budget

Proposal Summary

- Appears at the beginning of the proposal
- Outlines the research project
- Provides a compelling snapshot of the project’s main elements
- Serves as a way to engage the funder
  - Emphasizes how the research is unique, different, or more effective than others
- Should be prepared after the proposal has been developed to highlight its key points
- Corresponds to the Abstract or Introduction in a government proposal
Organizational Information

- “Getting-to-know-us” section
- Includes:
  - Key information about Mount Sinai, its vision, goals, and successes
  - A description of Mount Sinai’s history
  - Mount Sinai’s track record with other grantors
  - Information about the department in which the research occurs
  - Successes of the PI and other project staff
- Builds reader confidence in Mount Sinai and the PI
- Aims to establish credibility
- Government proposals focus primarily on the PI

Problem Statement or Needs Assessment

- Presents the need or problem that the project will address
- Accomplishes three tasks:
  - Defines the problem or need
  - Describes the causes of the problem or the circumstances creating the need
  - Identifies how problem will be solved and how grant funds will be used to do so
- Emphasizes the opportunities in the project and shows why it is vital
Problem Statement or Needs Assessment (continued)

- Corresponds to Background and Significance or Relevance sections of government proposals
- Some differences in foundation proposals
  - Should communicate how the funding requested will have a specific impact on the problem or need
  - Qualitative anecdotes may be used to help illustrate needs
  - Focus on innovation and uniqueness
  - Should be persuasive

Project Goals and Objectives

- Identifies the results, outcomes, or benefits expected from the project
- Must proceed logically from the problem statement
- Goals describe what you broadly hope to achieve in the long-term (could be your research hypothesis)
- Objectives are specific, measurable accomplishments by which the success of your project is measured (aims)
  - Should be attainable with the funds you are requesting and within the timeframe of the grant
- Keep simple and clear
- Correspond to Specific Aims or Statement of Work sections of government proposals
Project Methods or Activities

- Implementation plan for the project
  - How is the project expected to work and what activities are planned?
  - Explains how the objectives will be attained
- Highlights innovative features that distinguish the project’s plan from others
- Presents a reasonable and coherent action plan that justifies the resources requested
- Generates confidence in the project
- Corresponds to the Research Design and Methods section of government proposals

Project Methods or Activities (continued)

- Describes the timeframe for accomplishing the project and its objectives
  - What is the duration of the project?
  - When will you achieve project milestones?
- Where will the project’s activities take place?
- What human resources are needed to operate the project?
  - What are their roles and responsibilities?
- What other organizations are involved in the project?
Project Evaluation

- Explains the criteria and methods to be used for determining the results and successes of the project
- Specifies how and when the project will be assessed through an evaluation plan
  - Determines evaluation questions
  - Determines the types and sources of evidence needed
  - Considers data analysis plans
  - Identifies reporting procedures

Project Evaluation: Dissemination of Results

- Describes how the project’s results will be disseminated and publicized
  - Paper published in professional journal
  - Presentation at professional conference
  - Public relations with local media
  - Development of a replicable model
  - Partner with other organizations to replicate project
Project Funding and Sustainability

- Describes a plan for fully funding the project now and for continuing the project beyond the grant period
- Shows that you and Mount Sinai are planning for the future
  - Gives the project credibility
- Details how your project fits Mount Sinai’s long-term vision and strategic plan

Project Budget

- A full detailing of the project’s expenses and revenues
- Indirect cost rates
  - Mount Sinai’s standard for research and programs is 20%
  - For fellowships, it is 8%
  - Some foundation set their own maximum allowable rates
    - Departments need to cover the difference or request a waiver from the Dean’s Office
Foundation Funding Considerations

- Cost effectiveness
- Demonstrate specific accomplishments attainable in the grant period
- Include collaboration with other organizations in the community
- Reflect cultural sensitivity and diversity
- Focus on primary prevention of a problem
- New and innovative
- Mount Sinai’s proven track record
- Mount Sinai’s funding from other sources

Weaknesses in Proposals

- Problem addressed is insignificant
- Problem is more complex than can be addressed in specific project
- How funds will be used is unclear
- Methods do not suit the scope of the problem
- Unclear evaluation plan
- Objectives/specific aims are not clearly measurable
- Time schedule is unreasonable
- Mount Sinai or PI does not have a track record in the problem area
- Community not involved in the planning process
What Are Foundations Looking For?

- Projects that:
  - Are realistic
  - Stand a good chance of being successful
  - Are innovative and ambitious from two perspectives:
    - Reach out into unknown or untried arenas, which, if successful, will be a step into the future and a feather in the cap of the funder
    - Use financial resources efficiently and indicate a level of energy and commitment on the part of Mount Sinai

- Proposals that:
  - Describe the project clearly and succinctly
    - Focus on the impact of the project
  - Most importantly, FOLLOW APPLICATION INSTRUCTIONS

Differences Between Government and Foundation Grant Review Processes

- There may or may not be a peer or scientific review
- Mount Sinai’s background and history may have an impact
- The relationship or relevance to Mount Sinai’s vision may be considered
- Mount Sinai’s commitment to sustaining the project may be considered
- Foundations’ own preferences are considered
  - Geographic location
  - Diversity of topics, populations, types of grantees, etc.
  - How it fits their priorities
- Personal connections may have an impact
Foundation Grantwriting Resources

- The Foundation Center
  - [www.fdncenter.org](http://www.fdncenter.org)
- Grantsmanship Center
  - [www.tgci.com](http://www.tgci.com)
- GrantSmart
  - [www.grantsmart.org](http://www.grantsmart.org)
- Grant Writers
  - [www.grantwriters.com](http://www.grantwriters.com)
- Non-profit guides
  - [www.npguides.org](http://www.npguides.org)
- BIG Online
  - [www.bigdatabase.com](http://www.bigdatabase.com)

Researching Foundation Grant Opportunities

- InfoEd
  - [www.infoed.org](http://www.infoed.org)
- GrantsNet
- Philanthropy News Digest
  - [http://foundationcenter.org/pnd/rfp/;jsessionid=Y0QWJYD2SFLJPLAQBP4CGW15AAAAAC12F](http://foundationcenter.org/pnd/rfp/;jsessionid=Y0QWJYD2SFLJPLAQBP4CGW15AAAAAC12F)
- Charity Channel
Building Relationships With Foundations

- View foundation grantmakers as long-term partners and donors
  - Not merely funders who review written proposals once a year
- Work with the Development Office on functions that build relationships
  - Cultivate and steward
  - Acknowledge grants
  - Notify of (or even collaborate on!) hospital functions of interest
- Research donors
  - Keep up to date on activities

How Mount Sinai’s Development Office Can Help You

- Charged with generating philanthropic donations to Mount Sinai including grants from private sources such as
  - Foundations
  - Corporations
  - Vendors
  - Donor-Advised Funds
  - Federated Giving Programs
- Currently employs a four-person Corporate and Foundation Relations team to assist you
The Corporate and Foundation Relations Team Can:

- Work with you to develop your project ideas
- Research potential funding opportunities
- Write and edit proposals for you
- Submit proposals
- Organize donor meetings and site visits (as appropriate)
- Process grant payments
- Prepare and submit post-award reports
- Provide acknowledgement letters to donors for tax purposes
- Provide ongoing donor recognition and stewardship
- Leverage board and personal relationships

Benefits of Working with the Corporate and Foundation Relations Team

- Support and advice for project development
- Less time writing and preparing proposals
- Stronger proposals
- Better communication with donors
- More satisfied donors
- Additional sources of funding
- Increased funding
- Less time preparing reports
Same Mission But Different Roles:
Development and the Grants and Contracts Office

- Development Office
  - Charged with increasing grant funds to Mount Sinai
    - Helps with all aspects of private source grant funding
    - Builds long-term relationships with foundation donors
    - Provides donor recognition and acknowledgement, including for tax purposes
    - Links Mount Sinai to donors

- GCO
  - Charged with increasing grant funds to Mount Sinai
    - Oversees the application and award process and provides support for research activities
    - Evaluates research proposals for accuracy of administrative information and budget, as well as for compliance with all regulations

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