

Funding Options for Municipalities (Part One)

Pat Bohse, President of Bohse & Associates, Inc.

This article is meant to be the first of a two part series in which I will explore other funding options municipalities should look at to secure funds, goods, and/or services for special projects in your community. In particular, this article will cover foundations.

Foundations are non-governmental, nonprofit organizations that have resources which they either give away or manage themselves with the approval and guidance of their own board of directors. Foundations are usually started to help social, educational, charitable and religious organizations. A new trend is that some foundations are taking a more active role by either funding special projects or by partnering with local government agencies to make a difference in the community; especially if the foundation is either located in or does business in that community.

The following are the different types of foundations that you should explore:

1. **Corporate Foundations:** Corporate foundations are foundations that may be endowed or receive a designated percentage of corporate profits each year to give away. It is required that corporations give away at least five percent or more of their profits. It is important when researching corporate foundations that you go to their corporate Web site and look under links such as community relations, social responsibilities, local initiatives, grants, or corporate giving to find their guidelines. Examples of corporate foundations include: *AT&T Foundation*, *Campbell Soup Foundation* and *Hitachi Foundation*.
2. **Operating Foundations:** These foundations operate their own programs and generally do not accept unsolicited proposals, although they may offer occasional RFP's (request for proposals). Examples of operating foundations include: *Robert Wood Johnson* and *Annie E. Casey*.
3. **Community Foundations:** Technically, these foundations are fundraisers themselves; they raise money through contributions from individuals and organizations which they disperse as grants to local nonprofits, and in some cases municipalities. *The Community Foundation of New Jersey* is the largest community foundation in New Jersey.
4. **Private/Family Foundations:** These foundations get their monies from a single source; such as an individual, a family, or a corporation. They can give their money for general and/or special projects to local, statewide or regional/national causes. These types of foundations make up their own rules and regulations on what they will fund. They are hard to find but if you do your research and develop a relationship with them it can be very beneficial.

Writing proposals to foundations is very different than writing for a government grant. Foundation proposals are short and to the point (ten pages plus attachments). The key

to success with foundations is that when you find a match to develop a **personal relationship** with the foundation.

If you cannot develop a personal relationship, writing a letter of inquiry to the foundation would be the next step. It should be no more than two pages briefly describing the history, impact and needs of the agency.

If there is interest in your project then you should submit a full proposal. The format includes a cover letter, a narrative with a description of the agency and details on the project that you are requesting money for, and a budget.

To help you research foundations I am providing you with the following resources:

Grant Resource Center (<http://www.njslom.org/grants.html>): The League's *Grant Resource Center* provides a listing of links to various private and corporate foundations. This is a free resource provided by the New Jersey State League of Municipalities.

Foundations On-Line (<http://www.foundations.org/page2.html>): On this free Web site you can find links to a directory of foundations and grant makers.

GuideStar.org (<http://www.guidestar.org/news/features/990s.jsp>): This is a very good resource to reference and see if the foundations have listed their 990's (tax returns). This document can provide you with information on who the foundation has funded in the past, how much they have given to them and for what projects.

GrantStation (www.grantstation.com): This subscription-based Web site provides members with quick and easy links to all current sources of grant money, and tells visitors how to secure available funding. They also list new announcements of funding opportunities weekly. (Subscription discounts are available for League members, visit http://www.njslom.org/services_grant.html for more information.)

The Foundation Center (<http://fdncenter.org>): This subscription-based Web site provides members with extensive links to the sites of foundation grant makers.

I hope this information will be helpful to you. If you have any tips, suggestions, or success stories we would like to hear from you; please email Pat Bohse, president of Bohse and Associates, Inc. at pbohse@bohse.com. To learn more grant writing, visit Bohse and Associate, Inc.'s *Grant Proposal Web site's* page at http://www.bohse.com/html/grant_proposal_sites.cfm.

I would like to take this opportunity to wish you all a happy and healthy summer.