Raising money at VCU

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## VCU's private fund-seeking process

1. Discuss project and potential sources of support with the dean, department chair, center director and unit development officer
2. Get organized on paper
3. Make contact with appropriate development officer or Sponsored Programs officer
4. Team approach

Where to go in the University system

- Team coordination of information and relationships – Leadership Prospect Policy
- Signatory authorities at the university and the health system
- University foundations
- Sponsored Programs and the Office of Research
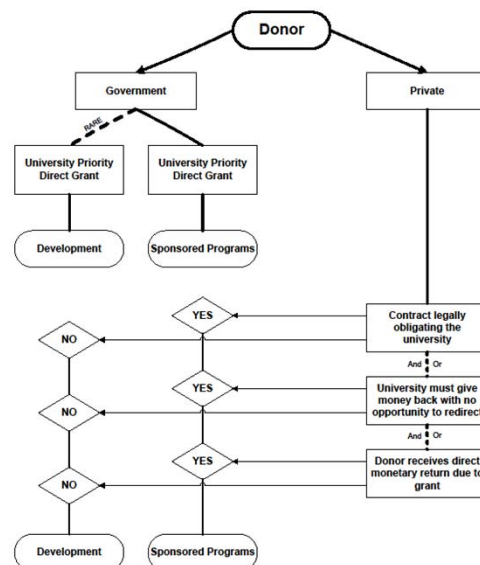
University structure

- Unit-based development officers
- Centralized development coordinators
- Foundation presidents and endowments
- Fiscal Administrators
- Sponsored Programs
- Grants and Contracts

Development and Alumni Relations 2012 Organizational Structure

Employee total = 147

2/5/2013
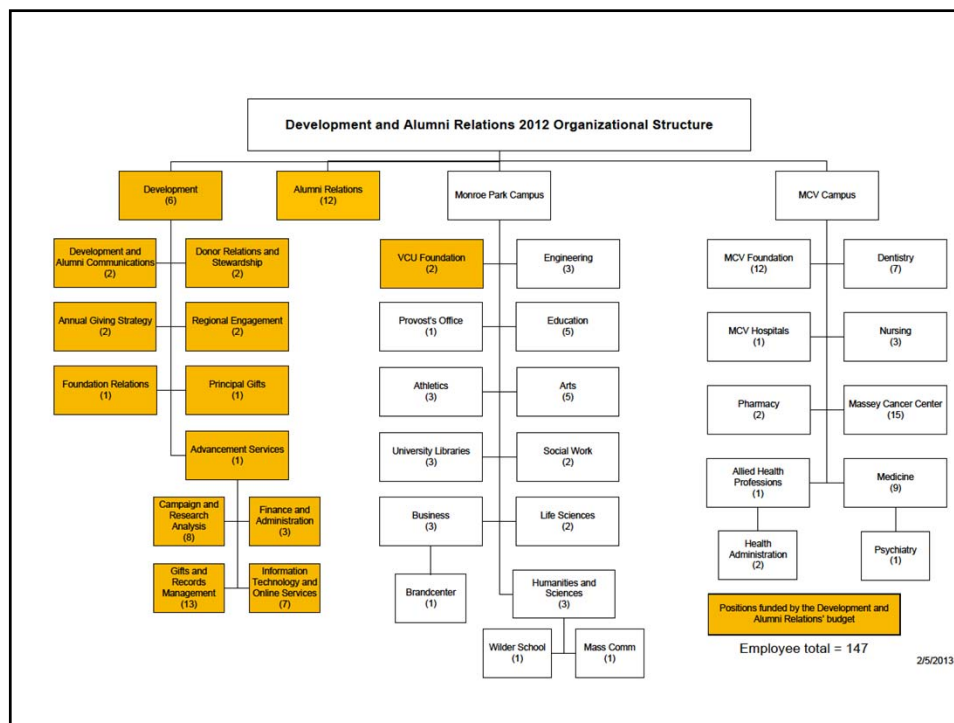
University Policies

- Faculty do not have signatory authority for the institution
- Faculty are required to inform development units and/or sponsored programs of external funding opportunities and submissions
- Gifts and pledges to the university are made through the 5 university foundations

Managing Risks

- **Gifts** (Development officers/foundations):
  - Proposal and reports often required
  - Sometimes require matching fundraising
  - Timeline and budget often required
  - Less restrictive, but still may require IRB approval
  - Irrevocable
  - Include payments over time (pledges)
  - Overhead expenses are direct expenses

Managing Risks

- **Sponsored Program**:
  - Proposal and reports always required
  - Timeline and budget always required
  - Sometimes require matching or in-kind funding
  - Deliverables expected, strict accountability
  - Often include legal agreements
  - Revocable
  - Overheads are standardized

Role of the central CFR office

- Prospect identification for university priorities/Quest
- Registration into central university database of prospects and donors
- Help with gift vs. grant/Development vs. OSP
- Proposal review, editing, and finalization
- Statistics and VCU boilerplate resources
- Presidential or VP cover letters
- Coordination of submissions and reports
- Coordination and dissemination of RFPs

CORPORATIONS

Corporate Funding mechanisms

- Foundations
- Community Engagement offices
- Marketing
- R&D
- Human Resources
- Sales/Procurement
- Board allocations
- Matching gifts
- Employee foundations and fundraisers

Corporate motives

- Enhance company image/positive PR
- Establish credibility in community
- Develop community allies and strengthen/stabilize community
- Improve employee recruitment/retention
- Increase effectiveness of nonprofits

Social and Economic Benefits
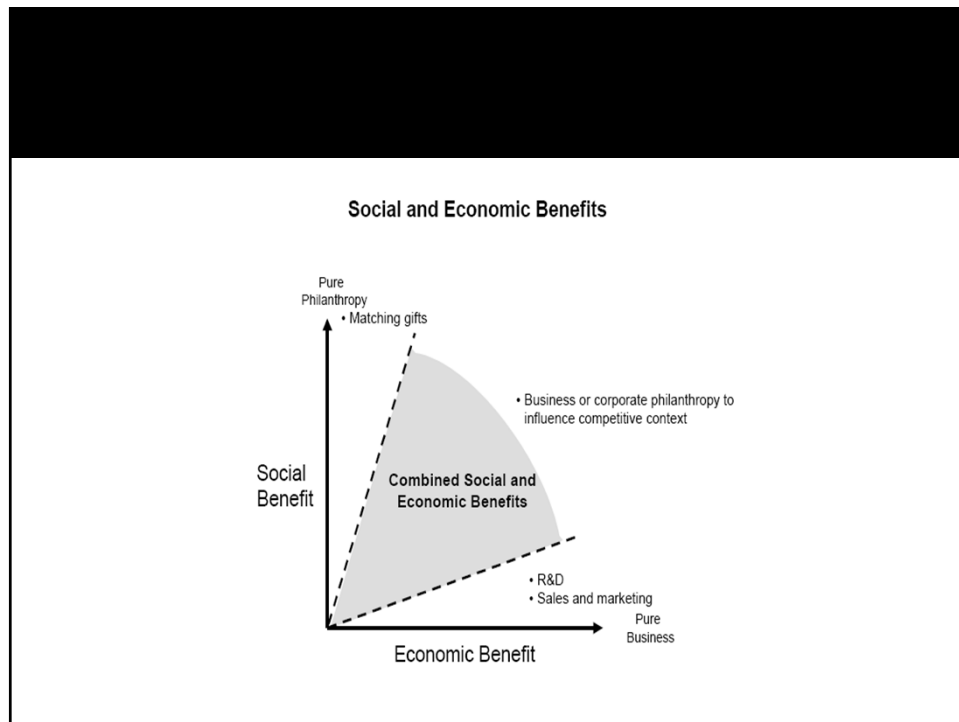
Recognize the definitions

- **Strategic Philanthropy**: creates social and brand value
- **Corporate Foundation**: primary purpose is to fund initiatives through grantmaking
- **Sponsorship**: fees paid to a property in return for exploitable access
- **Cause Marketing**: sales-driven strategy that ties customer purchases to donations

Win-win institutional partnerships

- Marketing/Sponsorship
- Volunteer base within corporation
- Board leadership
- Sponsored research contracts
- Human Resources relationships
- Philanthropy

University-Corporation Relationship Nexus
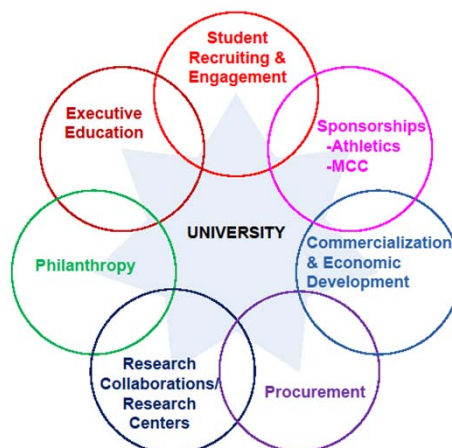
FOUNDATIONS

- o Nonprofit, mission-driven entities that seek to make a difference in society.
- o Seek to address a specific set of unmet needs.
- o Less likely to fund general operating support, construction, endowments, or conferences, unless these are part of a larger project.
- o 301 independent foundations in the Richmond metropolitan area
- o VCU has established relationships with many

Starting points for research

- ■ **The Foundation Center ~** http://foundationcenter.org
  - ▪ **Foundation Finder**
    - ▪ basic information on grantmakers in the U.S. including private foundations, community foundations, grantmaking public charities, and corporate giving programs
  - ▪ **990 Finder** - http://foundationcenter.org/findfunders/990finder/
  - ▪ **RFPs** - http://foundationcenter.org/pnd/rfp/
  - ▪ **FC's Cooperating Collections** - Richmond Public Library http://foundationcenter.org/collections/

- ■ **Foundation Directory Online**
  - ▪ MCV Campus – contact Jessica Venable
  - ▪ Monroe Park Campus – contact Ariana Bracalente

Starting points for research

- **Office of Sponsored Programs** (COS)
  - http://pivot.cos.com/funding_main

The letter of inquiry (LOI)

- Saves everyone time
- More than 75% prefer a letter of introduction or inquiry over a phone call
- Foundations that do not accept unsolicited proposals may review an LOI
- Max 2 pages – grab them up front
- Attach an outline of major details
- Follow-up by telephone or email to determine interest level and next steps

What goes in a letter of inquiry

- Refer to any prior contact
- Briefly:
  - Describe organization & how project addresses need
  - List amount needed & other funding sources
  - Describe evaluation measures
  - Tell how the project will be sustained
- **Format**: **Intro**, **Goal**, **Need**, **Qualifications**
- Put best foot forward; start with bullets and expand from there

Tips on Writing (LOI & Proposal)

- Sort out your thoughts – ORGANIZE
- Outline what you want to say
- **Follow their guidelines!**
- AVOID jargon
- AVOID vacant sentences
- AVOID passive tense
- Be compelling, but don't be dramatic
- A picture is worth a 1,000 words – diagrams, images, charts
- Keep It Simple; Keep It Brief; **Remember Your Audience**
- Revise and edit

Components of a proposal

- Executive Summary and cover letter
- Statement of need
- Project description
- Budget
- Organizational information
- Conclusion
- Appendix - CVs

Executive Summary

An umbrella statement of your case and summary of entire proposal (1 page)

☑Problem

☑Solution

☑Funding requirements

☑Organization and its expertise

Need statement

Why this project is necessary
- Include statistics and examples
- Use data that supports your case
- Decide
  - Is this a model? If so, defend that statement.
  - Is the problem acute? Is it solvable?
  - Comparable projects? Is yours similar or better?

Begins the process by which an organization builds its case and tells its story

Need Statement

- Relate area of need to priorities of RFP or funder.
- State how your proposed project will help address this need.
- Describe why your organization is the best for providing this service or meeting this need.

Local versus national impact

- Does your project impact the local community or a larger geographic region?
- Will it focus on the local community with possibilities for replication elsewhere?
- Will the results be shared with others? How?

Project description (overview)

Answers: Who, What, When, Where, and How
- What do you want to accomplish?
  - Goal(s)
  - Objectives / Outcomes
- How will you accomplish your objectives?
  - Activities
  - Timeline
- Who will carry out the project?
  - Qualifications
- Evaluation – How do you know how you are doing?
- Sustainability?
  - What happens at the end of the grant?

Goal vs. Objective

Goal: Offer an after-school program to help children read better.

Objective: Our after-school *remedial* education program will assist *fifty children* in improving their *reading scores by one grade level* as demonstrated on *standardized reading tests* administered after participating in the program for *one year.*

Objectives are Outcomes

- What does it mean when a grantmaker asks you to list your outcomes?
- Outcomes are specific and measurable
  - Provide breast cancer information and educational materials to 50 low income women in Richmond.
  - Provide breast cancer screenings to 50 uninsured women over age 40.
  - Train 50 underserved women to do monthly breast self-examination.
- Outcomes are tied to evaluation

Project Activities

- **Who?**
  - Target population
  - Staff
- **What?**
- **When?**
  - Timeline
- **Where?**
- **How?**
- **How often?**

Evaluation

- Include a plan for evaluating the effectiveness of your project.
  - Depending on project, can include pre- and post-testing
  - Tie measures to outcomes
- Annually and after the grant period
- Did you accomplish what you proposed?
  - If not, why?
  - What could you have done differently?

Sustainability

- How will the project be funded in the future?
- How will the organization be funded in the future?
- Provides grantmaker assurance
  - Valuable investment
  - Other funders are in the mix

Your organization

- Provide background information on your organization
  - History and mission of VCU and your school
  - Organizational structure, programs, services
  - Info about staff and board (if applicable)
  - Audience/population served by agency
- List past successes
- List expertise; show why your org. is the right one for addressing need
- Check guidelines—
  - Some funders request this info earlier in proposal, e.g. after Executive Summary

Budget
Financial description of project plus explanatory notes

- Expense Information
  - Personnel
  - Non-personnel
  - Overhead (if allowed)
- Income Information
  - Other grants, gifts
  - In-kind – what your organization is providing
  - Fees
- Budget Narrative

Budget

- **Be realistic**—
  - Base on real numbers; e.g. real salaries
  - Include % effort— will project director and staff give 100% of time to this project? Not likely, so how much?
  - Get estimates for printing, marketing, travel (mileage, airfare, etc.)
  - List all personnel involved
- **Be honest** about other funders supporting the project–
  - Are you asking them for the entire cost or a portion?
  - If a portion, who else has committed funds?
  - Do you have other proposals pending?

Putting it all together…

- Be kind, DO NOT BIND
- Double-check guidelines
  - Watch formatting –
    - Font – 12 pt
    - Margins – usually 1 inch
  - Page or word count limits
  - Attachments/Appendix – allowed or not?
  - Deadlines – Is it *received by* or *postmarked*?

Keys to success

- Do your homework!
  - Get to know the funder; make inquiries
  - Make sure the funder is a good match for your project
- Make sure the reader understands what you propose to do and how you will accomplish it.
  - Have someone unfamiliar with your project (e.g. friend or family) read your proposal
- Follow the guidelines! Address all questions.
- Effective NEED statement
  - Ask yourself: So what?

From the funder's perspective

- Does your proposed project or program
  - Address a significant issue?
  - Project outcomes?
  - Match your school/department's mission?
  - Demonstrate your experience and expertise?
  - Display your ability and capacity to accomplish your goals?

Paths to Foundation Funding

- Understand private philanthropy
- Research potential funding matches
- Work with university and foundation staff
- Learn to develop fundable proposals
- Evaluate, promote, and EXTEND funded projects

Questions