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How to Raise Funds from Foundations

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by

Joseph Dermer

How to Raise Funds from Foundations

by

Joseph Dermer

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FOREWORD

FOUNDATIONS, UNDERSTANDABLY, have always exercised a particular fascination for those seeking funds to advance worthwhile causes. To begin with, the business of foundations, in the most literal sense, is to give away money. And when they give it away, it is usually in amounts far greater than the grant seeker can obtain from any other single source — except possibly government — and at far less fund raising cost.

There is the theory of raising funds from foundations, and there is the reality. They are not the same. A knowledge of both, however, is indispensable to success in the foundation field.

In theory, all that is necessary to secure a grant is:

- a) a well written presentation
- b) a foundation interested in the field covered by the presentation

In reality, however, many additional factors enter into the process of securing a grant. To mention just a few: the relationship that may exist between the grant seeker and the foundation; the financial capacity of the foundation; the procedure the grant seeker follows before submitting his presentation, as well as his perseverance even when his first efforts fail; his awareness of proper timing; his efforts to secure a personal interview — all these are part of the reality of securing foundation grants, and are fully as important as the theoretical concepts.

In this manual, we have sought to equip you to handle both the theory and the reality of undertaking successful efforts in the foundation field.

We feel that one can learn only imperfectly by being told the right thing to do. Rather, he must be shown. Thus, we cite many case examples. The examples are real. They did occur, although, at times, we have cloaked the identity of the organizations involved.

The manual offers no easy road to success, for, indeed, there is no easy road. It will, however, help you avoid the pitfalls many grant seekers stumble into. And it will suggest planning, procedures and approaches that have worked well for others, and should work well for you.

FOUNDATIONS— HOW THEY BEGAN

PERHAPS THE first best step toward the goal of securing financial support from foundations is to know something about their history and development. And the start of any such study must necessarily begin with the question — just what *is* a foundation?

The definition has evolved through history, but one of the best was made by Frederick Kappel in "The Foundation — Its Place in American Life" (Macmillan Co. 1930), who described it this way:

"A foundation is a fund established for a purpose deemed charitable in law, administered under direction of trustees customarily operating under State or Federal Charter and enjoying privileges with respect to taxation and continuity of existence not accorded to "non-charitable" trust funds.

"The fund is to be used for a designated purpose, broad or narrow as the case may be, the donor specifying whether principal is to be kept intact or whether not only the interest but principal may be spent for the purposes named.

"Though practice isn't uniform, tendency is to designate former (keeping the principal intact) as foundations and the latter (spending from both principal and interest) as funds. There are many variants."

An improvement in this definition was made by F. Emerson Andrews in the Foundation Directory, with the further description of a foundation as "non-governmental and non-profit organization . . . established to . . . aid social, educational, charitable, religious or other activities common to the social welfare."

Under the umbrella of all these definitions, there are in the United States today, according to the 1966 Annual Report of the Foundation Library Center, 6,803 foundations, with assets of \$20 billion, and which, in their last recorded year, made grants of about \$1.2 billion.

It should be noted that these are only the larger foundations — all included in the current edition of the Foundation Directory. There are, in addition, some 10,500 smaller foundations.

Where and how did it all begin, the evolution of this extraordinary social and economic entity called the foundation?

The summary here necessarily must be brief. Historians delving into ancient records, interpreting hieroglyphics have, like biologists tracing the

preliminaries of today's complex life forms, detected early characteristics of modern foundations back in the days of ancient Egypt, and the "cradle-of-life" area. The Ptolemies endowed the famed library at Alexandria, and virtually every authoritative study points to Plato's Academy, supported for hundreds of years by his endowment, as a trail-breaker for foundations.

From the 4th Century until the Reformation practically all the vitality feeding the growth of the foundation trend came from Church endowments, or contributions toward such Church-inspired institutions as monasteries, where scholarly researches into science and arts were pursued by monks.

The concept of helping the poor and suffering, which plays so large a part in the growth of foundations, received its first powerful stimulant through organized religion and its many theologies. Later on, the Industrial Revolution broadened the base of concern for others, spreading the giving-and-helping concept to the newly-risen wealthy class of merchants, factory owners and bankers. There was a good reason for their concern. Government response to social needs during the Industrial Revolution was primitive, to say the least, and the more far-sighted of the industrial managers realized it was in their own interest to aid welfare work.

Not only was there danger due to turmoil and suffering, but also a growing understanding that relief of sickness, better public health, education of the young, and a stable society created conditions in which business and the community as a whole flourished.

So, to the philanthropic forces of the Church were added the increasingly complex organizational forms of the new merchantile classes, and the base for the modern foundation was solidly established.

In the United States, the vigor of the economy and the experimental traits arising from a pioneer background combined to sharpen the foundation concept and make it more clearly a unique creation. In 1803 the first social service endowment was created in the form of the White-Williams Foundation for "unhappy females who were desirous of returning to a life of rectitude." And in 1846 an Englishman, James Smithson bequeathed \$508,000 for a Smithsonian Institute "for the increase and diffusion of knowledge among men."

Then came the Civil War, and the widespread anguish it brought led a London banker, George Peabody, to set up a \$2 million foundation in 1867 to help children and youth, both black and white, of the distressed South.

An event in the field of giving eventually occurred which had a profound influence on the development of U. S. foundations — this was the creation of the Cecil Rhodes Trust in 1902. This received great publicity

through the selection of American Rhodes scholars. The awareness of foundations as a device for use by wealthy men for the public good was given further impact by establishment of the Nobel Prizes through a foundation in 1890. The selection of winners in the various fields each year kept the concept before intrigued audiences on a continued basis.

But in the United States the first giant step toward foundations by great American wealth was taken by Andrew Carnegie. His establishment of a number of foundations for advancement of education, knowledge and peace, backed by sums into the hundreds of millions, had a great effect on others in his class including the Rockefellers. It was after this period, covering from 1905 to 1911, that foundations began to appear in increasing numbers and steadily enlarged their important role in the social and economic life of the nation.

There is no single, simple reason for the formation of these foundations. The motivation is often a complex of reasons, matching the personality and interest of the creator. The desire to help the less fortunate may combine with the wish to perpetuate one's name or that of a loved one. The thought that a lifetime of accumulation finally ends with future generations possibly wasting the result of all that striving, creates a desire to keep control even after death. Nor does an intimate knowledge of government spending soothe the potential philanthropist whose wealth can be taxed away through inheritance or income taxes.

Sometimes the good and selfish are mixed in one package; for example, in the 18th Century, when the Harvard College properties were exempt from taxation because of their educational purpose, so were the properties of the College's faculty, and even that of the attending students.

This, of course, no longer is so. But what has remained constant is the history of governmental attitudes toward "good works." In 1894, when the first general income tax was approved on corporations organized for profit-making, it was automatically assumed it would not apply to religious, educational and charitable institutions. This law was declared unconstitutional, and it wasn't until 1913 that Federal Income Tax legislation gave specific tax exemption to religious, educational and charitable groups. In 1917, additional legislation extended this benefit by making gifts to such activities deductible.

It should be remembered that a major reason for creating these tax exemptions was the desire by government to encourage support for these religious and welfare activities. These groups perform impressive amounts of public service which otherwise would be paid for by the public revenue.

Dean Rusk, in his excellent book, "Role of Foundations in American Life" (1961 Claremont University College Press), states "One could make a case that exemption and deduction features of our tax laws are a genuine economic bargain from the point of view of the public Treasury."

Although foundations have their critics, and abuses of the tax-exempt privilege must, and undoubtedly will, be guarded against,* the consensus of most scholars and investigators is that they play a worthy and admirable role in our society. The Domesday Book in the 11th Century describes the giving of property to humanitarian causes as motivated by a sense of expiation of sin. Freeman Hunt, in his "Lives of American Merchants," shows these men as having roles greater than simply being merchants—they also were shown as human beings with a social conscience who had a sense of debt to the community. And the "Report of the Princeton Conference on History of Philanthropy in the U. S.," quotes Samuel J. Mills as saying "Though you and I are very little beings we must not rest satisfied till we have made our influence extend to the remotest corner of this ruined world." This remark superbly summarizes the motivations of the majority of creators of foundations.

But the simplest of all and yet the one which tells the entire story is Dean Rusk's anecdote of the time he drove past a church and saw a sign outside the door. It read, "You can't take it with you, but you can send it ahead."

Foundations Today

Generally, foundations fall into five rather broad and sometimes overlapping categories. To some extent, these classifications will guide the individual in search of financial support and conserve his time and his efforts.

These categories are:

1. *General Purpose Foundations* which include most of the larger, better known foundations. They operate with relatively few grant-making restrictions, and are considered the pace-makers or standard setters within the foundation field. They number only 370, control 68 percent of all foundation assets and make 59 percent of the grants. It is these foundations which search out the looming problems of our day and offer encouragement and support for their solutions. Usually, they are governed by a knowledgeable Board of Directors assisted by a trained, professional staff.
2. *Special Purpose Foundations* restrict their grants to a specific field of research, a particular activity or a designated geographic area.

*After conducting a study of foundations, the U. S. Treasury Department came up with this conclusion:

"The Department's investigation has revealed that the preponderant number of private foundations perform their functions without tax abuse. However the study has also produced evidence of serious faults among a minority of such organizations."

Without attempting any defense of foundations, one might note that a minority of almost any group one could think of is probably doing something wrong.

The limitations placed on grants are clearly defined in the charter. These foundations very often reflect their points of view in their names. Examples which spring instantly to mind include the William Nelson Cromwell Foundation for Research of the Law and Legal History of the Colonial Period of the United States of America, the Eye Surgery Fund and the Carnegie Hero Fund Commission. The grant seeker can determine within seconds whether he should prepare to approach a given foundation, for he knows from a rapid scanning of the information available that each special purpose foundation can be interested only in the projects which relate directly to its stated purposes.

3. *Corporate or Company Foundations* which channel the philanthropies of business organizations. These are tax-exempt, non-profit bodies legally detached from the commercial enterprise and operated exclusively for giving. Generally, grants are given within the communities where the company is located and serve to show the goodwill of industry while benefiting a local area. Currently, the bulk of these grants are being given to community funds and higher education.
4. *Family Foundations* which usually have been set up by the donor for his current contributions. These family foundations are great in number; their total assets are small. Very often the grants reflect the immediate interests of the donor and go to his college, his church, the local hospital and community fund. It does not often happen that a family foundation is reached by an appeal outside the donor's range of interests — unless, of course, the person presenting the request is his favorite niece.
5. *Community Foundations* which receive and administer funds in a specific geographic area with which to support the particular interest of the donor. These foundations often have under their management multiple funds for a wide variety of interests. They can well be considered as a source of support — and very often as a source of support for on-going programs of proven worth.

Let us mention here that there are foundations which are themselves fund raisers or trade associations or extensions of particular religious groups or educational institutions.

With these, we are not concerned.

Trends in Foundation Giving

The Foundation Directory (which we will discuss in some detail in the next section) considers its 1966 tabulation of grants of \$10,000 as more or less incomplete. Be that as it may, the tabulation remains the

very best record available, and certainly it indicates trends in philanthropy.

The total grants, the record shows, were distributed as follows:

- 24 percent to education
- 21 percent to international activities
- 18 percent to the humanities
- 12 percent to welfare
- 11 percent to science
- 9 percent to health
- 5 percent to religion

It should be noted that for the past five years, education followed — except in one year — by international activities have been the leaders with regard to foundation support.

Most foundation watchers would agree that there is increased interest on the part of many foundations in the humanities — although the relatively high ranking of this field in the listing is somewhat misleading since it includes a huge 85 million dollar grant made to symphony orchestras by the Ford Foundation. Of more significance is the increased number of grants made for the humanities, as well as the increased number of foundations involved. According to the Foundation Directory, the number of grants of \$10,000 or more rose from 123 to 588 between the years 1962 and 1966; the number of foundations involved increased from 52 to 282.

Foundation experts would also agree that there appears to be mounting interest on the part of foundations in the field of population research and control. Also, despite the deep involvement and commitment of funds by government, foundation interest in the social and economic plight of Negroes in the United States remains high and constant.

in library

YOUR TOOLS

The Foundation Directory

IT IS QUITE impossible to conduct a foundation campaign of any substance without the assistance of the Foundation Directory, published by the Russell Sage Foundation, 230 Park Avenue, New York City

The 1,200 pages of this admirable reference book contain such absolutely basic information as

- the names and addresses, alphabetized by state, of 6,803 foundations who have assets in excess of \$200,000, or who make grants of as much as \$10,000
- wherever possible, the names of the donor, officers and trustees of each listed foundation
- the purposes of the foundations, together with their current interests
- assets, expenditures and grants of the foundations

The back of the Directory contains an alphabetical index of fields of interest, persons whose names appear under the listing of foundations, and the foundations themselves.

Many tax-exempt organizations already possess their copy of the Foundation Directory. Bound rather attractively in a pale green jacket, they look new, handsome, and rather virginal.

And indeed this is frequently the case.

For, to go through the Directory page by page, as one must, say, to ascertain those foundations whose fields of interest correspond to the programs of a given agency, is almost no one's cup of tea. It is a dreary, wearisome job, but, ultimately, if one makes the effort, an exceedingly rewarding one.

The Directory's index of fields of interest is of course a great help in this regard. However, of the 6,803 foundations listed in the Directory, the index contains references to only 395. These are, according to the Directory, "the larger general purpose foundations with programs of national significance and most special purpose foundations concerned with precise fields of interest."

The index, thus, is useful in the development of an initial list of prospective contributing foundations. However, if one wants to go beyond this to develop succeeding listings, it is necessary to do so by reading the entire Directory page by page.

Moreover, if one is concentrating on foundations within his community or state, it then becomes absolutely essential that the foundations be

reviewed one by one within the particular statewide listing in the Directory. For these foundations are not included in the index of fields of interest if they impose geographic limitations on their grant-making.

While the Directory is quite indispensable, it does not contain certain points of information which may be of considerable value to the grant seeker. Specifically, it would be helpful to know the most appropriate time of the year in which to approach a foundation, whether the foundation makes grants toward operating budgets, and what its policy may be with regard to giving appointments to discuss a particular project or activity. To get the answers to these questions we undertook a survey of foundations with assets of over \$1 million. The answers of the responding foundations appear on the pages that follow.

It must be understood that, useful as this information may be, it is intended to be only supplementary. To have any real meaning, it must be read with a copy of the Foundation Directory at hand.

The Directory is available at many libraries, or it may be purchased from the Russell Sage Foundation for \$12.

The Foundation Library Center

The Foundation Directory will tell you almost all that you may want to know about foundations. The Foundation Library Center will tell you almost all that you may want to know about any given foundation.

Located at 444 Madison Avenue, in New York City, the Center was established, according to its charter, "to collect, organize and make available to the public reports and information about foundations."

To fulfill these stated purposes, the Center, an independent, educational institution under the authority of the Board of Regents of the State of New York:

- collects information on all American foundations through direct inquiry, questionnaires, correspondence, news clippings, field work and transcripts of government records
- maintains libraries in New York and Washington, open to the public without charge five days a week
- maintains, in cooperation with local institutions, seven depositories where information on regional foundations may be studied
- records foundation grants indexed by major fields
- prepares the Foundation Directory
- publishes a bi-monthly bulletin, Foundation News

- stimulates more complete reporting by foundations
- undertakes on special occasions studies on various facets of foundations.

There are limitations on the services the Center offers. It will not advise on foundation approaches; it will not act as a clearing house for projects, and it will not direct applicants to individual foundations.

The necessary research, analysis, development of approaches and writing of forthright and intelligent presentations remain the responsibility of the grant seeker. But his effective use of the background materials made available by the activities of the Center may, to a great extent, help determine the success of his efforts.

The full library in New York houses:

- files on some 17,000 foundations with such descriptive materials as financial statements, articles of incorporation, transcripts of government records, newspaper clippings and names of grantees
- reports, current and past, issued by foundations
- index of foundation grants by fields
- approximately 700 books, 1,000 pamphlets and thousands of clippings and reports which deal generally with philanthropy and particularly with foundations.

A smaller library at 1327—18th Street, N. W., Washington, D. C. contains current data. Background information on local foundations can be studied at the regional depositories listed below:

Graduate Social Science Library, Stephens Hall, University of California, Berkeley, California 94720

Reference Department, Library (Foundation Collection), University of California, Los Angeles, California 90024

Foundation Library Collection, Atlanta Public Library, 126 Carnegie Way, N. W., Atlanta, Georgia 30303

Foundation Information Service, The Newberry Library, 60 West Walton Street, Chicago, Illinois 60610

Kansas City Public Library, 311 East 12th Street, Kansas City, Missouri 64106

Cleveland Foundation Library, 1240 Union Commerce Building, Cleveland, Ohio 44115

Regional Foundation Library, The Hogg Foundation for Mental Health, The University of Texas, Austin, Texas 78712

The Washington office is charged with the task of copying the information returns made to the Internal Revenue Service. Reproductions are forwarded to the New York office and to the appropriate regional depository library. One copy is kept at the Washington library.

Funds for maintaining the Foundation Library Center come from the Alfred P. Sloan Foundation, the Russell Sage Foundation, the Ford Foundation, the W. K. Kellogg Foundation, the Carnegie Foundation of New York, and the Rockefeller Foundation.

Foundation News

Not as full a resource as the Foundation Directory or the Foundation Library Center, but still very valuable, is *Foundation News*, a bi-monthly publication of the Center.

Each issue of *Foundation News* contains a lead article dealing with a particular aspect of the foundation field, as well as newsworthy items on developments within the field.

Of particular use are listings in each issue of current foundation grants of \$10,000 or more. These listings appear under the category for which the grant was made and may at times be helpful in indicating a shift of emphasis insofar as a given foundation's field of interest is concerned. Or, if the recipients of the grants should be organizations similar in nature to yours, it may suggest that the grant-making foundation should be included among those foundations which might — prospectively — help support the work of your agency.

An annual subscription to *Foundation News* costs \$6.

APPROACHING FOUNDATIONS

Submitting Your Proposal

LET US assume that, at this point, you have done the following. You have developed a listing of foundations which, in principle, might be interested in supporting the operations of the organization you represent, or a particular project which your organization wishes to undertake.

(Incidentally, although there are exceptions, the great majority of foundations make grants to organizations, not to individuals, and, as a general rule, only to tax-exempt organizations.)

To the extent possible, you have checked further on the foundations on your list, either at the Foundation Library Center or one of its regional depositories, and you know to whom they have recently made grants, as well as the amounts involved. Finally, you know exactly why you are asking for foundation support. You may have already written your proposal. (Later we will discuss in some detail the preparation of foundation proposals.)

In those instances in which a given foundation is not within reasonable traveling distance, the next step, obviously, is to mail your presentation to the foundation. This should be done with a brief covering letter—four or five paragraphs are ample—in which you should attempt to identify the interest pattern of the foundation with the nature of your request. Your covering note should also contain a summary of your proposal. The summary would indicate the activity you wish to undertake, its purpose, how long it will take and the amount it will cost. Incidentally, if you cannot condense this information into two or three paragraphs at most, you probably have to refine your thinking further with regard to your proposal in general.

Your covering letter should be addressed to the individual indicated in the Foundation Directory as Executive Director or Executive Secretary of the foundation concerned. If no such individual is mentioned, the letter should be sent to the Secretary of the foundation, or its President, in that order.

If your organization has a good piece of descriptive literature—a current Annual Report or a brochure describing its general purposes and activities—this, too, should be sent with the presentation. A current financial statement should also be enclosed.

Once your proposal has been submitted there is little for you to do but wait for a decision to be made. If you receive no acknowledgment of receipt of your proposal for several weeks, it would not be unreasonable for you to send a follow-up note or to make a telephone call.

The question sometimes arises as to whether it is proper to submit a more or less identical presentation to a number of foundations at the same time.

It is.

Most foundation trustees would assume that you are doing this in any case. Since it may take 60 days or longer for a decision to be made, it would be both unfair and unrealistic to expect that you would not be seeking your financial support in whatever foundation directions seem promising.

At the same time you don't want, with any one foundation, to flaunt the fact that you may be approaching others. This is to say each presentation should be individually typed. Do not mimeograph your presentation and do not try to "fill in" any phrases.

Some one at this moment may be asking the question: "What if *two* foundations approve my presentation?"

First of all, congratulate yourself. It doesn't happen all that often. And then handle the matter in a perfectly honest, straightforward manner. Inform either one of the foundations of the situation. Perhaps your presentation calls for a second or third year of operation, and you might ask the foundation whether its funds might be so applied. Or, if there exists another project or activity for which you seek support, you could query the foundation in this regard. As noted earlier, grants of over \$10,000 are reported in *Foundation News*.

Getting an Interview

Now, what about those foundations whose offices are within your general locality? You can, of course, utilize the procedure just described. It is, however, much more desirable to attempt to secure an interview with the executive officer of the foundation, or, under certain circumstances as indicated in the section "Working with Volunteers," with a trustee of the foundation.

The importance of trying to get an interview cannot be overstated—particularly for organizations which have few, if any, "contacts" with foundations. It represents, on the one hand, an opportunity to establish a relationship which can only be helpful when your formal presentation is evaluated. Beyond this, you, yourself, may receive suggestions useful to incorporate into the formal presentation.

How do you go about getting an interview?

It's very valuable, first of all, to know a given foundation's policies in this regard. Some are quite willing to give interviews if they feel they

might be interested in your application. Others prefer that you simply send them the application in full.

We surveyed foundations with assets of over \$1 million in this regard and the results are indicated at the end of this section. Bear in mind these two points when you review the results of the survey. As would be expected, not all of the \$1 million plus foundations responded to this question. There are also a very considerable number of foundations, with assets of less than \$1 million, who were not surveyed at all.

Assuming that the foundation that you wish to approach does give interviews, the best way to ask for one is through a letter. A few—a very few—foundations will make appointments over the telephone. Most, however, prefer a letter.

The letter follows the same general format as the covering letter you would write when actually submitting your presentation, although in this case you are simply asking for a meeting. Do not submit your presentation at this time. On the one hand, it undercuts the basic reason for having the interview. On the other, the submission of a written presentation at this point will tend to foreclose a degree of flexibility which you still want to retain. It is, however, quite all right for you to enclose a piece of literature which generally describes the work of your agency.

It would be nice if all letters to foundations requesting interviews were promptly acknowledged or, indeed, acknowledged at all.

This is not always the case. And after waiting a reasonable interval—ten days is sufficiently reasonable—you should follow up your letter with a telephone call.

We could cite innumerable examples of interviews which resulted, not from the letter, but from the phone call that followed—with, as an end result, a grant having been ultimately forthcoming.

Will your foundation grant appointments on the basis of a letter succinctly outlining the nature of a project or activity in which you might be interested?

YES.

ALABAMA

The Ingalls Foundation, Inc.
Robert R. Meyer Foundation

ARIZONA

Lincoln Foundation, Inc.

CALIFORNIA

Peter Berkey Foundation
Crown Zellerbach Foundation
Michael J. Connell Charities, Ltd.
Carrie Estelle Doheny Foundation
The Glide Foundation
The Henry J. Kaiser Family
Foundation
Miranda Lux Foundation
The Atholl McBean Foundation
Roscoe and Margaret Oakes
Foundation
Rosenberg Foundation
The San Francisco Foundation
Title Insurance and Trust Company
Foundation

COLORADO

Boettcher Foundation

CONNECTICUT

The Barnes Foundation, Inc.
The Carlson Foundation, Inc. (only
within restricted area of Bridgeport
vicinity)
Foundations' Fund for Research in
Psychiatry
The Calvin K. Kazanjian Economics
Foundation, Inc.
The New Haven Foundation
(sometimes)

DELAWARE

Raskob Foundation for Catholic
Activities, Inc.

DISTRICT OF COLUMBIA

Council on Library Resources, Inc.
Eugene and Agnes E. Meyer
Foundation
Public Welfare Foundation, Inc.

FLORIDA

Robert O. Law Foundation

GEORGIA

John Bulow Campbell Foundation
(sometimes)
Trebor Foundation, Inc.

ILLINOIS

The Allstate Foundation
John Deere Foundation
Farm Foundation
The James S. Kemper Foundation
The Moorman Foundation
Olin Mathieson Chemical Corporation
Charitable Trust
The Quaker Oats Foundation
The Joseph and Helen Regenstein
Foundation
Sears-Roebuck Foundation
The Charles Weinfeld Memorial
Foundation
Wieboldt Foundation
Woods Charitable Fund, Inc.

INDIANA

The Honeywell Foundation
The Indianapolis Foundation
Inland Container Corporation
Foundation, Inc.
Arthur Jordan Foundation
Herman, Charles and Ellnora
Decker Krannert Foundation
Lilly Endowment, Inc.

KANSAS

Schowalter Foundation, Inc.

LOUISIANA

Edward G. Schleider Educational
Foundation

MASSACHUSETTS

The Frank Stanley Beveridge
Foundation, Inc.
Committee of the Permanent Charity
Fund, Inc.
The Fuller Foundation, Inc.

Charles H. Hood Dairy Foundation
Frank M. Noonan Trust (but may
request further information)
William E. and Bertha E. Schrafft
Charitable Trust
The Stoddard Charitable Trust

MICHIGAN

Besser Foundation
Chrysler Corporation Fund
The Herbert H. and Grace A. Dow
Foundation
George R. and Elise M. Fink
Foundation
Hudson-Webber Foundation
W. K. Kellogg Foundation
The Kresge Foundation
The Loutit Foundation
Eloise and Richard Webber
Foundation

MINNESOTA

F. A. Bean Foundation, Inc.
Granelda Foundation
The Harris Foundation (occasionally)
Louis W. and Maud Hill Family Foun-
dation (under certain circumstances)
Hill Foundation Company
The Saint Paul Foundation
Archie D. and Bertha H. Walker
Foundation
T. B. Walker Foundation, Inc.
Weyerhaeuser Foundation, Inc.

MISSOURI

The Danforth Foundation
Hallmark Educational Foundation
Kansas City Association of Trusts and
Foundations
Carrie J. Loose Fund
Ella C. Loose Fund
Jacob L. Loose Million Dollar Charity
Fund Association
Ralph L. Smith Foundation
The Sumner Foundation
Edward F. Swinney Fund

NEW HAMPSHIRE

The Spaulding-Potter Charitable
Trusts

NEW JERSEY

Campbell Soup Fund

Schering Foundation, Inc.
The Florence Murray Wallace Fund

NEW YORK

American Metal Climax Foundation,
Inc.
The Vincent Astor Foundation
Avalon Foundation
The George F. Baker Trust
The Mary Duke Biddle Foundation
Carnegie Corporation of New York
China Medical Board of New York,
Inc.
Cities Service Foundation
Corning Glass Works Foundation
The William H. Donner Foundation,
Inc.
Dow Jones Foundation
The Camille and Henry Dreyfus
Foundation, Inc.
The Doris Duke Foundation, Inc.
Educational Facilities Laboratories,
Inc.
Esso Education Foundation
Leah Faigel Foundation, Inc.
Farfield Foundation, Inc.
Harry and Jane Fischel Foundation
Charles A. Frueauff Foundation,
Inc.
The Fund for the Advancement of
Education
General Electric Foundation
The General Foods Fund, Inc. (limited
time available)
The Rosamond Gifford Charitable
Corporation
Gulbenkian Foundation, Inc.
Charles Hayden Foundation
Ivy Fund
Jackson Hole Preserve, Inc. (but pre-
fer full application)
The J. M. Kaplan Fund, Inc.
William R. Kenan, Jr. Charitable
Trust
Samuel H. Kress Foundation
Josiah Macy, Jr. Foundation
Merrill Lynch, Pierce, Fenner & Smith
Foundation, Inc.
Walter E. Meyer Research Institute of
Law (perhaps)
Milbank Memorial Fund

The New World Foundation
 Edward John Noble Foundation
 The Aaron E. Norman Fund, Inc.
 Jessie Smith Noyes Foundation, Inc.
 Olin Foundation, Inc.
 Gustavus and Louise Pfeiffer Research Foundation
 Trustees of the Phelps-Stokes Fund
 The Richardson Foundation, Inc.
 Rockefeller Brothers Fund
 The Martha Baird Rockefeller Fund for Music, Inc.
 Shell Companies Foundation, Inc.
 Thomas F. Staley Foundation
 Twentieth Century Fund, (Inc. (only in rare cases)
 Union Pacific Railroad Foundation
 Wenner-Gren Foundation for Anthropological Research, Inc. (sometimes)
 Xerox Fund

NORTH CAROLINA

Mary Reynolds Babcock Foundation, Inc.
 Burlington Industries Foundation (in selected situations)
 Winston-Salem Foundation

OHIO

The Champion Paper Foundation
 The Cleveland Electric Illuminating Foundation
 The Cleveland Foundation
 The Crosley Foundation (perhaps)
 Diamond Alkali Company Foundation
 Greater Cleveland Associated Foundation
 The Lubrizol Foundation
 The S. Livingston Mather Charitable Trust
 The Frank M. Tait Foundation
 The Raymond John Wean Foundation

OKLAHOMA

Alexander Memorial Fund
 The Charles B. Goddard Foundation

OREGON

The E. C. Brown Trust
 Tektronix Foundation

PENNSYLVANIA

The Alcoa Foundation

The American Philosophical Society
 Helen D. Groome Beatty Trust
 Board of Directors of City Trusts, City of Philadelphia
 The Mary Louise Curtis Bok Foundation
 Louis N. Cassett Foundation
 Samuel S. Fels Fund
 The Albert M. Greenfield Foundation
 Laurel Foundation
 Richard King Mellon Foundation
 Pitcairn-Crabbe Foundation
 The Pittsburgh Foundation (under some circumstances)
 Smith Kline & French Foundation
 The John Edgar Thomson Foundation
 Trexler Foundation
 Union Benevolent Association (prefer a personal interview with the applicant followed by a letter setting forth financial needs)
 Westinghouse Educational Foundation
 Henrietta Tower Wurts Memorial (but prefer and require a written application)
 Wyomissing Foundation, Inc.

SOUTH CAROLINA

The Self Foundation
 The Spartanburg County Foundation

TEXAS

The Moody Foundation
 Oldham Little Church Foundation
 Minnie Stevens Piper Foundation
 Myra Stafford Pryor Charitable Trust
 The Vaughn Foundation (might)
 Rob and Bessie Welder Wildlife Foundation
 The West Foundation

VIRGINIA

The Norfolk Foundation (but applications for scholarships must be made on our forms)

WISCONSIN

Allis Chalmers Foundation, Inc.
 Janesville Foundation, Inc.

WYOMING

Whitney Benefits

NO, PREFER APPLICATION IN FULL.

CALIFORNIA

Bank of America-Giannini Foundation
The Bothin Helping Fund
The John Randolph and Dora Haynes Foundation
William Randolph Hearst Foundation
Barton Hepburn Trust
The James Irvine Foundation
George Frederick Jewett Foundation
The Mabel Wilson Richards Scholarship Fund (applications accepted only through schools)
John and Beverly Stauffer Foundation

COLORADO

The Bemis-Taylor Foundation
El Pomar Foundation

CONNECTICUT

The Jane Coffin Childs Memorial Fund for Medical Research
The Anna Fuller Fund
The Edward W. Hazen Foundation, Inc.

DELAWARE

The Lalor Foundation

DISTRICT OF COLUMBIA

The John Jay Hopkins Foundation
The Loyola Foundation, Inc.
Resources for the Future, Inc.
Hattie M. Strong Foundation

GEORGIA

Callaway Educational Association
Fuller E. Callaway Foundation
Lettie Pate Evans Foundation, Inc.
Charles Loridans Foundation
Joseph B. Whitehead Foundation

HAWAII

G. N. Wilcox Trust

ILLINOIS

Container Corporation of America Foundation
Elliott and Ann Donnelly Foundation
Gardner-Denver Foundation
Max Goldenberg Foundation
Heed Ophthalmic Foundation

Illinois Philanthropic and Educational Foundation
Inland Steel-Ryerson Foundation
Bowman C. Lingle Trust
Oscar Mayer Foundation
Clara and Spencer Werner Foundation, Inc.

IOWA

The Knalba Foundation

MASSACHUSETTS

Cabot-Saltonstall Charitable Trust
The Edwin Phillips Foundation
The Edwin S. Webster Foundation

MICHIGAN

Gerber Baby Foods Fund
Kalamazoo Foundation
McGregor Fund
Metal Office Furniture Company Foundation
The Rapids Standard Foundation
Whirlpool Foundation

MINNESOTA

Avon Foundation

NEBRASKA

Cooper Foundation
Lincoln Foundation, Inc.
J. M. McDonald Foundation, Inc.

NEVADA

Max C. Fleischmann Foundation of Nevada
The Luke B. Hancock Foundation

NEW HAMPSHIRE

John H. Pearson Trust

NEW YORK

Agricultural Development Council, Inc.
Vivan B. Allen Foundation, Inc.
Altman Foundation
Booth Ferris Foundation
Joseph Collins Foundation
The Cowles Charitable Trust
The Henry L. and Grace Doherty Charitable Foundation, Inc.
The Ebsary Charitable Foundation
Fred L. Emerson Foundation, Inc.

Frank E. Gannett Newspaper
 Foundation, Inc.
 Green Fund, Inc.
 Haxton Fund, Inc.
 The JDR 3rd Fund
 Jewish Foundation for Education of
 Girls
 Lasdon Foundation, Inc.
 The Link Foundation
 Manufacturers Hanover Trust
 Company Foundation
 Josephine H. McIntosh Foundation,
 Incorporated
 The Memton Fund, Inc.
 The Ottinger Foundation, Inc.
 James Picker Foundation
 Reader's Digest Foundation
 Russell Sage Foundation
 The Leopold Schepp Foundation
 The Steele-Reese Foundation
 The Teagle Foundation, Inc.
 Louis Comfort Tiffany Foundation
 Michael Tuch Foundation, Inc.
 United States Steel Foundation, Inc.
 The Reynolds Bagley Verney
 Foundation
 Western New York Foundation
 The Helen Hay Whitney Foundation
 William C. Whitney Foundation

OHIO

The American Foundation
 The Ashtabula Foundation
 The Hoover Foundation
 Chares F. Kettering Foundation ("It is
 preferable if you first send a letter
 then if a mutual area of interest
 exists, we will so notify you and you
 may follow with supporting mate-
 rial.")
 Knight Foundation, Inc.
 The George J. Record School
 Foundation
 The Elisabeth Severance Prentiss
 Foundation

OKLAHOMA

The McMahon Foundation

OREGON

The Collins Foundation
 The Jackson Foundation

PENNSYLVANIA

Dolfinger-McMahon Foundation
 Henry C. Frick Educational
 Commission
 Girard Trust Bank Foundation
 The J. S. Mack Foundation
 The Philadelphia Foundation
 Williamsport Foundation

RHODE ISLAND

The George A. and Eliza Gardner
 Howard Foundation
 The Benjamin N. Kane Foundation

TENNESSEE

The Evans Foundation, Inc.
 The C. M. Gooch Foundation

TEXAS

The Clark Foundation
 The M. S. Doss Foundation
 The R. W. Fair Foundation
 Hillcrest Foundation
 Franklin Lindsay Student Aid Fund
 The Luling Foundation
 Schlumberger Foundation
 Southland Paper Mills Foundation

VIRGINIA

The Edgar A. Thurman Charitable
 Foundation for Children

WASHINGTON

The Seattle Foundation
 Weyerhaeuser Company Foundation

WEST VIRGINIA

Laird Foundation, Inc.

WISCONSIN

Hamilton Memorial Foundation

The Interview

There is no way of telling anyone how to act at a meeting with a foundation executive, except to make the obvious admonition that he has made his important time available to you and you should use it as wisely — and as briefly — as the situation will allow. By the same token, you aren't on a witness stand and, if by your own ease of manner, you can create an atmosphere of friendliness, it can only be helpful.

Obviously, his ultimate judgment has to be based on the merits of your written application. But, as one human being to another, he will be affected by a sense of your sincerity, your awareness, and your capacity to explain, with reasonable precision, exactly what you have in mind.

As much as it is to explain, your job is also to listen. If the foundation executive with whom you are meeting feels that your request has genuine worth, he may make suggestions particular to the nature of his foundation. You should listen to these suggestions with very open ears.

He may perhaps indicate that his foundation has become leery of supporting projects which have to be constantly refinanced. And you will have to ask yourself whether your agency would be in a position to carry on the project on its own after a stated period of time. And, if this is so, can you reasonably document this point in your application?

Or he may indicate that his foundation, although it would be interested in your proposal, would not, for a variety of reasons, be able to support it in full. On this basis, in writing the final draft of your presentation, it may be useful for you to make clear your willingness to accept a partial grant, as well as the values that could be derived from such partial support. Or, finally, he may even suggest still other foundations which he thinks might be interested in helping to finance your particular activity.

Needless to say, do not at an interview expect — or press for — a decision. For one thing, the foundation executive couldn't give it. This is a matter for his board to decide. Apart from this, foundation decisions are made on the basis of a written, not a verbal, presentation.

Although it is sometimes done, it is not a good idea to leave a written presentation with the foundation executive, even if you didn't plan to make any changes in it. Psychologically speaking, it is more desirable to leave the impression that you will at least reflect on the substance of your meeting, which, indeed, you should. Also, your covering letter, when you actually submit the presentation, offers an opportunity to make a reference to your appreciation for his having taken the time to meet with you.

Timing

The question of the timing of your application is an important one. Few foundations hold board meetings more frequently than at quarterly intervals. Others may meet only twice a year, while some make their decisions regarding grants at a meeting held just once during the year.

Obviously, then, if your application misses a meeting, there may be a rather long layover before it is considered; so long, indeed, that if the application were based on topical elements, these elements may no longer hold true when it is finally considered. It should be said, however, that a number of foundations will give a highly worthwhile request of an emergency nature priority consideration, even if it upsets the usual routine. Despite this, it's best not to take chances. If there are certain foundations whom you expect to approach, it's a good idea to drop them a note asking them if there is a time of year when it is more convenient for them to receive an application in order to give it quicker consideration. That was one of the questions we asked in our survey of foundations with assets of over \$1 million. Certain foundations told us the best time to approach them, and this information follows:

In line with the decision-making process of your foundation, are there times of the year in which it is more convenient for you to receive an application in order to give it quicker consideration?

YES

ALABAMA

Robert R. Meyer Foundation February, September

ARIZONA

Lincoln Foundation, Inc. April, October

CALIFORNIA

Bank of America—Giannini Foundation Prior to January 15
The Glide Foundation January, November, December
Barton Hepburn Trust June
George Frederick Jewett Foundation September
Roscoe and Margaret Oakes Foundation January, October
The San Francisco Foundation 30 days in advance of meetings (information on schedules available on request)

CONNECTICUT

The Barnes Foundation, Inc. October
The Edward W. Hazen Foundation, Inc. March, September
The Calvin K. Kazanjian Economics Foundation, Inc. April, September, December

DELAWARE

The Lalor Foundation November, December

DISTRICT OF COLUMBIA

The John Jay Hopkins Foundation October
The Loyola Foundation, Inc. May, October
Resources for the Future, Inc. February, August

GEORGIA

John Bulow Campbell Foundation February, May, August, November
Fuller E. Callaway Foundation March, June, October, December
Trebor Foundation, Inc. October, November

HAWAII

G. N. Wilcox Trust October

ILLINOIS

Max Goldenberg Foundation September
The James S. Kemper Foundation June, July, August
Clara and Spencer Werner Foundation, Inc. April, May, June

INDIANA

Lilly Endowment, Inc. February, May, September, November

KENTUCKY

Appalachian Fund, Inc. April, November

MASSACHUSETTS

The Frank Stanley Beveridge Foundation, Inc.	February, March
Charles H. Hood Dairy Foundation	March, April, September, October
Frank M. Noonan Trust	October, November
The Theodore Edson Parker Foundation	March, September
The Edwin S. Webster Foundation	March, October

MICHIGAN

Gerber Baby Foods Fund	April, October, November
Kalamazoo Foundation	April, October
The Kresge Foundation	January, February
Metal Office Furniture Company Foundation	April, September
The Rapids-Standard Foundation	September, October, November

MINNESOTA

Avon Foundation	January, April, June, September
Granelda Foundation	September, October
The Saint Paul Foundation	January, July
Archie D. and Bertha H. Walker Foundation	Prior to January 1
T. B. Walker Foundation, Inc.	Prior to May 1
Weyerhaeuser Foundation, Inc.	July, August, September

NEVADA

The Luke B. Hancock Foundation	March, August
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NEW YORK

Vivian B. Allen Foundation, Inc.	March, October
The Vincent Astor Foundation	April, October, November
The George F. Baker Trust	March, September
Joseph Collins Foundation	January, February
Harry Dent Family Foundation, Inc.	April, September
The Henry L. and Grace Doherty Charitable Foundation, Inc.	February
Dow Jones Foundation	October
The Ebsary Charitable Foundation	February, May, July, October
Esso Education Foundation	January, February, March
Leah Faigel Foundation, Inc.	Anytime, except June, July, August
Farfied Foundation, Inc.	February, March, April, August, September, November
Harry and Jane Fischel Foundation	October, November, December
Eva Gebhard-Gourgau Foundation	May, November
General Electric Foundation	January, February, March, April
The JDR 3rd Fund	January, July
Jewish Foundation for Education of Girls	October 15 to January 31
The J. M. Kaplan Fund, Inc.	Anytime, except June, July, August
The Link Foundation	May, November
Walter E. Meyer Research Institute of Law	Prior to Sept. 15; January 1

The Ottinger Foundation, Inc.	August
Howard Phipps Charitable Foundation	November
James Picker Foundation	July, August, September
The Leopold Schepp Foundation	September, October, November, December
Shell Companies Foundation, Inc.	By October (for following year)
Thomas F. Staley Foundation	November
Louis Comfort Tiffany Foundation	January, February, March (April accepted but not preferred)
Michael Tuch Foundation, Inc.	January, February
Union Pacific Railroad Foundation	January, February
The Helen Hay Whitney Foundation	Prior to August 15
William C. Whitney Foundation	February, March, September, October

NORTH CAROLINA

Mary Reynolds Babcock Foundation, Inc.	January, February, to March 15
Winston-Salem Foundation	October—to October 15
	February, April

OHIO

The Ashtabula Foundation	April, October
The Champion Paper Foundation	September, October, November, December
Diamond Akali Company Foundation	September, October, November
Greater Cleveland Associated Foundation	Anytime, except June, July, August
Charles F. Kettering Foundation	February, August
The S. Livingston Mather Charitable Trust	May, November
The George J. Record School Foundation	January, February, December
The Elisabeth Severance Prentiss Foundation	April, October
The Raymond John Wean Foundation	September

OREGON

The Collins Foundation	March, April, September, October
The Jackson Foundation	October, November

PENNSYLVANIA

Helen D. Groome Beatty Trust	November, December
The Mary Louise Curtis Bok Foundation	August, September
Dolfinger-McMahon Foundation	By April 1; by October 1
Laurel Foundation	September
Richard King Mellon Foundation	March, September
Smith Kline & French Foundation	April, August, December
Trexler Foundation	July
Henrietta Tower Wurts Memorial	February, March, May, September
Wyomissing Foundation, Inc.	Not January, May, September, December

RHODE ISLAND

The George A. and Eliza Gardner Howard Foundation	October
The Benjamin N. Kane Foundation	February

TENNESSEE

The C. M. Gooch Foundation	February, March
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TEXAS

The R. W. Fair Foundation	February, May, August, November
Franklin Lindsay Student Aid Fund	May, June
Minnie Stevens Piper Foundation	January 15; June 15
Myra Stafford Pryor Charitable Trust	July
Schlumberger Foundation	January
Rob and Bessie Welder Wildlife Foundation	October, November, December

VIRGINIA

The Norfolk Education	January, February, March, April, December
The Edgar A. Thurman Charitable Foundation for Children	October

WORKING WITH VOLUNTEERS

UP TO THIS point, we have been assuming that you have been conducting your foundation campaign, more or less on your own, without the assistance of a volunteer Board of Directors.

If, however, you are in a position to work with a Board of Directors — particularly a Board whose members may have friends within the Foundation field, then, by all means, take advantage of this happy state of affairs.

It need hardly be stated that foundation trustees are as human as the next fellow. And, whereas they will exercise their responsibilities with fairness, consideration and evenhandedness, it must also be said that, all other things being equal, the likelihood of a grant being made to an agency whose Board member is acquainted with a foundation trustee is greater than where no contact exists.

Not untypical is this remark by an executive director of a medium-sized foundation in New York City: "We had screened the applications we had received down to a basic 20, all of which were worthwhile, all of which deserved support. Actually, we had funds available for only about 10. The first 7 applications considered came from friends of our trustees. Five of them were approved. Out of the remaining 13, we selected an additional 5."

The lesson is obvious: a worthwhile application always has a chance of gaining support. A worthwhile application, backed up by a relationship between Board member and foundation trustee, has a rather better chance.

These are certain basic steps which have been found to be useful in working with Boards of Directors. The first step, which you have already taken, is the compilation of lists of foundations whose interests fall within the framework of your programs, together with the names of their trustees. As you know, this material is readily obtainable from the Foundation Directory.

Let's assume that you are going to ask for support of a new project. If so, it's a good idea to outline its essentials and distribute the outline in advance to members of your Board. Eventually, some Board member may have the task of interpreting the project to a foundation trustee, and he should be given the opportunity of asking you some of the tough questions that he himself may have to answer. Even if he's accompanied by your top executive officer — always a useful procedure — he should nonetheless feel at home with the elements making up the project. Needless to say, if the project is highly technical in nature, this may not always be possible.

When it comes to reviewing the listing of foundations, it is more desirable to do so at meetings of the Board, rather than putting a list into the mails and awaiting response.

For one thing, a meeting opens up the likelihood of discussion, possibly strengthening your presentation, as well as particularly knowledgeable Board members suggesting foundations which may not even be on your list.

For another thing, a kind of group psychology goes on at such meetings which leads a Board member who might otherwise remain silent to indicate that he is acquainted with a foundation trustee when he sees a fellow Board member speaking up. We don't know why this happens. But it does.

Assuming that certain contacts are established at the meeting, the most effective procedure is for the Board member to telephone the foundation trustee with whom he is acquainted, to make an appointment to discuss the project, or, if he feels that this is not suitable, that he write a letter asking for an appointment, while at the same time briefly describing the project.

There are of course instances when a personal meeting is impossible to arrange. When this happens, the application should be prepared in full and sent by the Board member to the foundation trustee with a brief covering note. The note, by the way, is important.

Other than a thumbnail description of the project, it should be personal in tone; it should communicate the Board member's genuine commitment to his agency and his feeling regarding the importance of the project. In effect, the Board member becomes a kind of guarantor both of the agency and the project.

There is some controversy about the approach we have outlined above. Quite obviously, it introduces a personal element into a situation which, for all intents and purposes, should be wholly objective. Let us say in all frankness that we know of no situation in which the approach we have indicated has ever lost a grant which otherwise would have been made. We know of many in which it was a central factor in the process of securing the grant.

GENERAL PURPOSE GRANTS

SOME TIME AGO, the President of an excellent family counselling agency lamented to us: "Everyone recognizes that we have a fine program, that our social work staff is about as good as they come. We can prove that we're helping families meet some pretty serious problems. And, yet, every time we go to a foundation to try to get money for our general programs, we get a polite turndown. They want special projects. Isn't it enough that we're doing the job we're suppose to do, and doing it well?"

The answer is yes . . . and no.

It is true that many foundations are project minded.* It is also true that many others make grants toward general operating budgets, assuming of course that the activity concerned falls within their field of interest.

Of the \$1,000,000 plus foundations who responded to a questionnaire survey asking whether they made grants to operating budgets, about half indicated that they did, or that they might do so under special circumstances. You will see this phrase, "special circumstances," appear with what may be monotonous regularity in this discussion of general purpose grants.

Incidentally, as you look through the results of the survey at the end of this section, you should bear in mind that it includes responses only from the larger foundations. There remain an additional five thousand, all listed in the Foundation Directory who, as a rule, are more amenable to making general purpose grants.

How do you secure grants for general operating purposes? The key is in that phrase "special circumstances." Staying always within the bounds

*As an explanation of its policy of not making grants for operating budgets, the Field Foundation in a recent Annual Report included this letter from a "distinguished educator."

"We appreciate the reasons why the Field Foundation is unwilling to make annual gifts to any institution to meet regular operating expenses. As a member of the Board of another Foundation, I experience the same reluctance to contribute merely to operating expenses. Foundation funds, although considerable when considered absolutely, are very small relatively to the requirements of the innumerable institutions doing important educational or philanthropic work. The Foundations are, and ought to be, spearheads of progress in new directions, of projects that are in themselves self-limiting, or once set going, capable of finding their own resources for living on."

The assumption that projects will find "their own resources for living on" might seem to various public service executives somewhat blithe.

Other reasons for the "project-mindedness" of foundations would include the fact that projects usually have a defined beginning and ending, thus forestalling an endless commitment from the foundation. Also, in specifying objectives, methods of operations, and particular needs, projects, by their very nature, are both more dramatic and more concrete than general purpose proposals.

of truth but using both imaginative and interpretive skills, it is your job to present a reason, above and beyond the merits of your program, as to why a general purpose grant should be forthcoming. You know your agency best and there is no special circumstance we can suggest with regard to it. But here are examples of approaches successfully developed by other organizations. Perhaps they'll trigger your imagination.

For a medium-sized hospital in Manhattan, the approach was as compelling as it was simple. This hospital was approaching the hundredth anniversary of its founding. It made its 100th birthday the basis of its appeal to foundations for grants to a reserve fund to be used to advance its services in the years to come.

Another organization, an agency providing summer vacations for disadvantaged children sought to raise general purpose grants on the basis of rising costs. It is one thing to say costs are rising. Its another to demonstrate it. This agency went to the trouble of developing a comparative chart showing what costs were in 1957 for counsellors' salaries, transporting a child, feeding him, purchasing necessary facilities, maintaining the camp, etc. It then related these figures to 1967 costs: The result, a dramatic graphic rationale, a "special circumstance" for securing operating grants from foundations.

Some years earlier, this same agency sought general purpose funds on a wholly different basis.

Through the death of a major contributor who annually gave a five figure gift, this agency suffered a severe loss in the funds required to operate and maintain its camp. The agency used this regrettable and "special circumstance" as the basis of an appeal to a number of foundations interested in youth. At the same time, it coupled the appeal with case histories (the names changed, of course) of various children who had applied for a summer vacation at the camp and, quite honestly, indicated it would have to reject the applications without additional financial support.

To cite still other instances, it may be that your program has not changed, but that the need for it has grown. This was true of two public service organizations. The first, a settlement house in New York City had experienced an explosive change in the composition of its neighborhood, with an extremely large migration of minority group families into the area. This led — naturally enough — to various special projects. But it also meant that the basic existing services of the neighborhood — arts and crafts, day care center, athletic activities, teen-age social programs, family counseling and the like, were needed more than ever and needed by more people. On this basis alone, the settlement house was able to raise substantial operating funds from foundations.

The second agency is a health service organization on Staten Island. With the construction in 1964 of a new bridge — the Verrazano — Staten

Island was faced with an impending population increase which in five years would be equal to the total population increase that had taken place during the past fifty.

Obviously, again, there was no need for the program to change, just that there be more of it to be provided to more people.

This agency wisely did further research before turning to foundations for support of its general programs. Consulting official projections of the U. S. Census Bureau, it was able to demonstrate, not only the impending massive population increase but also that a more than proportionate number of the families expected to settle in Staten Island were those families who, by way of age and racial background, would be logical clients of the agency.

Sometimes the product of self-research can form the basis of an appeal to foundations for general support. An agency serving the aged undertook an evaluation of its services insofar as they were meeting the needs of its constituency. It found that one particular program — an arts and crafts course — was extremely popular with its senior citizens. Their only regret was that it wasn't offered more than once a week. Armed with this bit of basic research, the agency was able to secure funds from foundations to increase the frequency of the programs.

Other agencies have used other approaches, sometimes quite apart from their actual programs. A health agency in New York City sought to maintain a vocational guidance program for victims of the disease with which it was concerned. It required \$40,000 and went to its first foundation, asking not \$40,000 but \$10,000. And it made the further commitment that these funds need not be granted if it was unable to raise the remaining funds from other sources. It was hard work, but it did so, from several other foundations, as well as various affluent individuals. The very nature of the situation, the need to raise matching funds, was "a special circumstance" that helped bring forth the initial grant of \$10,000, and acted as a continual spur in raising the remaining \$30,000.

Foundations, incidentally, look with favor on the concept of matching funds, feeling, perhaps, that if an agency's programs are valid, they should command support from other elements within the community.

Still others — when making general purpose grants, as well as grants for special projects — feel more comfortable when they know that other foundations are also contributing.

Partly, this is done on the feeling that the agency must indeed be a solid one, else why would other foundations be supporting it. Also, it is a means of "sharing the risk" in supporting a given agency. Regrettably, this sometimes leads to a situation in which "them what has, gets" while everyone else has to somehow make do. If, however, your agency is one

of the fortunate ones, by all means, don't hide this particular light under a bushel.

Usually it is enough to include in your application a paragraph something like this:

"In addition to supporting new projects, many foundations recognize also the need for supporting the maintenance and expansion of on-going services that have already proved their usefulness. We are gratified that the Foundation is one of these, and we take some pride in the fact that Foundations contributed \$..... to for just this purpose last year. This amount represented% of our total operating budget."

When it comes to indicating the foundations by name, together with the amounts they gave, you're on somewhat shaky ground. Actually, foundations are required by law to list the names of their grantees, as well as how much was given. It is a matter of public knowledge, and many do so in Annual Reports publicly distributed. The files of the Foundation Library Center also include such information, and anyone can look it up.

Still, in order not to chance ruffling the feelings of a currently contributing foundation, it's a good idea to check first if you plan to include this kind of specific information in an application, or for that matter, in any literature designed for the public.

One further point. Don't make a foundation guess how much you want in terms of a general purpose grant. Say so specifically in the body of your application. The amount you ask for will develop out of several factors:

- Your total operating budget. If your total operating budget is, say, \$300,000, it is unrealistic to expect a single foundation to contribute more than \$10-\$15,000 at the most, no matter how interested it may be in your field.
- The foundation's assets and, more particularly, its grants. A foundation which annually gives, say, \$100,000, will, generally speaking, not be willing to give more than several thousand for a general purpose grant.
- The foundation's pattern of giving. Two foundations we know grant roughly the same amount of funds annually, about \$500,000. Both are interested in much the same fields. The first, however, has been making substantially large grants — about \$100,000 — to several institutions for a number of years. The remainder of its funds are granted, usually for general purposes, to about a score of other organizations.

The second foundation has not been making large grants. Rather, it has divided its funds among nearly 200 different agencies, with the amounts ranging from \$1,000 to \$20,000. Obviously, the second foundation would represent a better possibility for you insofar as securing general support is concerned.

To summarize briefly:

Do not expect an appeal for your general operating program to succeed if you limit yourself to describing the program and indicating its usefulness.

There must be an additional element present, "a special circumstance." Determining just what this element is requires research, imagination, ingenuity . . . and truthfulness. The surest way to alienate a foundation permanently is to concoct your appeal out of thin air. Foundation executives are both intelligent and wary. You will be found out, and the damage to you and your agency's reputation is incalculable.

Does your foundation make grants toward operating budgets?

YES.

CALIFORNIA

Crown Zellerbach Foundation
Carrie Estelle Doheny Foundation
The Glide Foundation
Barton Hepburn Trust
George Frederick Jewett Foundation
The Henry J. Kaiser Family
Foundation
Roscoe and Margaret Oakes
Foundation
Title Insurance and Trust Company
Foundation

CONNECTICUT

The Carlson Foundation, Inc.

DISTRICT OF COLUMBIA

Council on Library Resources, Inc.

GEORGIA

Fuller E. Callaway Foundation
Trebor Foundation, Inc.

ILLINOIS

The Allstate Foundation
Elliott and Ann Donnelley Foundation
Max Goldenberg Foundation
Inland Steel-Ryerson Foundation
Oscar Mayer Foundation
The Joseph and Helen Regenstein
Foundation
Clara and Spencer Werner Foundation,
Inc.

INDIANA

The Honeywell Foundation, Inc.
Inland Container Corporation
Foundation, Inc.
Herman, Charles and Ellnora Decker
Krannert Foundation
Lilly Endowment, Inc.

KENTUCKY

Appalachian Fund, Inc.

MASSACHUSETTS

Cabot-Saltonsall Charitable Trust
Committee of the Permanent Charity
Fund, Inc.
The Fuller Foundation, Inc.

William E. and Bertha E. Schrafft
Charitable Trust
The Stoddard Charitable Trust
The Edwin S. Webster Foundation

MICHIGAN

George R. and Elise M. Fink
Foundation
Gerber Baby Foods Fund
Hudson-Webber Foundation
The Rapids-Standard Foundation
Eloise and Richard Webber Foundation

MINNESOTA

F. A. Bean Foundation, Inc.
Granelda Foundation
Archie D. and Bertha H. Walker
Foundation
T. B. Walker Foundation, Inc.

MISSOURI

Hallmark Educational Foundation
The Sumnen Foundation

NEVADA

Max C. Fleischmann Foundation
of Nevada

NEW JERSEY

The Florence Murray Wallace Fund

NEW YORK

Altman Foundation
American Metal Climax Foundation,
Inc.
The Vincent Astor Foundation
The George F. Baker Trust
Cities Service Foundation
Corning Glass Works Foundation
Harry Dent Family Foundation, Inc.
Dow Jones Foundation
The Ebsary Charitable Foundation
Leah Faigel Foundation, Inc.
Farfield Foundation, Inc.
Harry and Jane Fischel Foundation
Charles A. Frueauff Foundation, Inc.
Frank E. Gannett Newspaper
Foundation, Inc.
Eva Gebhard-Gourgaud Foundation
The General Foods Fund, Inc.

Ivy Fund
 The J. M. Kaplan Fund, Inc.
 Lasdon Foundation, Inc.
 Manufacturers Hanover Trust
 Company Foundation
 Merrill Lynch, Pierce, Fenner & Smith
 Foundation, Inc.
 Milbank Memorial Fund
 The Aaron E. Norman Fund, Inc.
 Howard Phipps Charitable Foundation
 Rockefeller Brothers Fund
 Shell Companies Foundation, Inc.
 Michael Tuch Foundation, Inc.
 Union Pacific Railroad Foundation
 The Reynolds Bagley Verney
 Foundation
 Xerox Fund

OHIO

The American Foundation
 The Champion Paper Foundation
 The Cleveland Electric Illuminating
 Foundation

QUALIFIED YES OR NO.

ALABAMA

Robert R. Meyer Foundation

ARIZONA

Lincoln Foundation, Inc.

CALIFORNIA

Michael J. Connell Charities, Ltd.
 The San Francisco Foundation
 John and Beverly Stauffer Foundation

COLORADO

Boettcher Foundation

CONNECTICUT

The Barnes Foundation, Inc.
 The Jane Coffin Childs Memorial
 Fund for Medical Research
 The New Haven Foundation

DISTRICT OF COLUMBIA

Eugene and Agnes E. Meyer
 Foundation
 Public Welfare Foundation, Inc.

GEORGIA

Lettie Pate Evans Foundation, Inc.
 Joseph B. Whitehead Foundation

Diamond Alkali Company Foundation
 The Hoover Foundation
 The Lubrizol Foundation
 The S. Livingston Mather Charitable
 Trust
 The Raymond John Wean Foundation

OREGON

The Jackson Foundation
 Tektronix Foundation

PENNSYLVANIA

The Alcoa Foundation
 Louis N. Cassett Foundation
 Trexler Foundation
 Westinghouse Educational Foundation

TEXAS

Southland Paper Mills Foundation
 The West Foundation

WISCONSIN

Hamilton Memorial Foundation

HAWAII

G. N. Wilcox Trust

ILLINOIS

Container Corporation of America
 Foundation
 The Moorman Foundation
 The Quaker Oats Foundation
 Woods Charitable Fund, Inc.

LOUISIANA

The Wheless Foundation

MASSACHUSETTS

Frank M. Noonan Trust

MICHIGAN

Kalamazoo Foundation
 The Loutit Foundation
 McGregor Fund

MINNESOTA

The Hormel Foundation
 Weyerhaeuser Foundation, Inc.

MISSOURI

Kansas City Association of Trusts
 and Foundations

Carrie J. Loose Fund
Ella C. Loose Fund
Jacob L. Loose Million Dollar Charity
Fund Association
Ralph L. Smith Foundation
Edward F. Swinney Fund

NEBRASKA

Cooper Foundation

NEVADA

The Luke B. Hancock Foundation

NEW JERSEY

Schering Foundation, Inc.

NEW YORK

Agricultural Development Council,
Inc.

Avalon Foundation

Booth Ferris Foundation

Carnegie Corporation of New York

Eso Education Foundation

Jackson Hole Preserve, Inc.

The Esther A. and Joseph Kingenstein
Fund, Inc.

Edward John Noble Foundation

Gustavus and Louise Pfeiffer Research
Foundation

The Richardson Foundation, Inc.

The Martha Baird Rockefeller Fund
for Music, Inc.

NO.

ALABAMA

The Ingalls Foundation Inc.

CALIFORNIA

Bank of America-Giannini Foundation

Peter Berkeley Foundation

The Bothin Helping Fund

The John Randolph Haynes and
Dora Haynes Foundation

The James Irvine Foundation

Miranda Lux Foundation

The Atholl McBean Foundation

The Mabel Wilson Richards
Scholarship Fund

Rosenberg Foundation

COLORADO

The Bemis-Taylor Foundation

El Pomar Foundation

Twentieth Century Fund, Inc.
United States Steel Foundation, Inc.
William C. Whitney Foundation

NORTH CAROLINA

Mary Reynolds Babcock Foundation,
Inc.

Burlington Industries Foundation
Winston-Salem Foundation

OHIO

The Greater Cincinnati Foundation

OKLAHOMA

The Charles B. Goddard Foundation

OREGON

The Collins Foundation

PENNSYLVANIA

Dolfinger-McMahon Foundation

The Albert M. Greenfield Foundation

The Philadelphia Foundation

Pitcairn-Crabbe Foundation

The Pittsburgh Foundation

TEXAS

The R. W. Fair Foundation

Rockwell Fund, Inc.

VIRGINIA

The Norfolk Foundation

CONNECTICUT

Foundations' Fund for Research in
Psychiatry

The Anna Fuller Fund

The Edward W. Hazen Foundation,
Inc.

The Calvin K. Kazanjian Economics
Foundation, Inc.

DELAWARE

The Alfred I. DuPont Institute of the
Nemours Foundation

The Lalor Foundation

Raskob Foundation for Catholic
Activities, Inc.

DISTRICT OF COLUMBIA

The John Jay Hopkins Foundation

The Loyola Foundation, Inc.

Resources for the Future, Inc.
Hattie M. Strong Foundation

FLORIDA

Robert O. Law Foundation

GEORGIA

Callaway Educational Association
John Bulow Campbell Foundation
Charles Lorigans Foundation
The Rich Foundation, Inc.

ILLINOIS

John Deere Foundation
Dillon Foundation
Farm Foundation
Gardner-Denver Foundation
Heed Ophthalmic Foundation
Illinois Philanthropic and Educational
Foundation
The James S. Kemper Foundation
Bowman C. Lingle Trust
Olin Mathieson Chemical Corporation
Charitable Trust
Sears-Roebuck Foundation
The Charles Weinfeld Memorial
Foundation
Wieboldt Foundation

INDIANA

Arthur Jordan Foundation

IOWA

The Knaiba Foundation

KANSAS

Schowalter Foundation, Inc.

LOUISIANA

Edward G. Schlieder Educational
Foundation

MASSACHUSETTS

The Frank Stanley Beveridge
Foundation, Inc.
Charles H. Hood Dairy Foundation
The Theodore Edson Parker
Foundation
The Edwin Phillips Foundation

MICHIGAN

Besser Foundation
Chrysler Corporation Fund
The Herbert H. and Grace A. Dow
Foundation
W. K. Kellogg Foundation

The Kresge Foundation
Whirlpool Foundation

MINNESOTA

Avon Foundation
The Harris Foundation
Hill Foundation Company
Louis W. and Maud Hill Family
Foundation
The Saint Paul Foundation

MISSOURI

The Danforth Foundation

NEBRASKA

Lincoln Foundation, Inc.
J. M. McDonald Foundation, Inc.

NEW HAMPSHIRE

John H. Pearson Trust
The Spaulding-Potter Charitable Trusts

NEW JERSEY

Campbell Soup Fund

NEW YORK

Vivian B. Allen Foundation, Inc.
The American Scandinavian
Foundation
The Mary Duke Biddle Foundation
China Medical Board of New York,
Inc.
Joseph Collins Foundation
The Cowles Charitable Trust
The Henry L. and Grace Doherty
Charitable Foundation, Inc.
The William H. Donner Foundation,
Inc.
The Camille and Henry Dreyfus
Foundation, Inc.
The Doris Duke Foundation, Inc.
Educational Facilities Laboratories,
Inc.
Fred L. Emerson Foundation, Inc.
The Field Foundation, Inc.
The Ford Foundation
The Fund for the Advancement of
Education
General Electric Foundation
The Rosamund Gifford Charitable
Corporation
Green Fund, Inc.
The Solomon R. Guggenheim
Foundation

Haxton Fund, Inc.
 Charles Hayden Foundation
 The JDR 3rd Fund
 William R. Kenan, Jr. Charitable Trust
 Samuel H. Kress Foundation
 The Link Foundation
 Josiah Macy, Jr. Foundation
 Josephine H. McIntosh Foundation,
 Incorporated
 The Memton Fund, Inc.
 Walter E. Meyer Research Institute
 of Law
 The New World Foundation
 Jessie Smith Noyes Foundation, Inc.
 Olin Foundation, Inc.
 The Ottinger Foundation, Inc.
 Trustees of the Phelps-Stokes Fund
 James Picker Foundation
 Reader's Digest Foundation
 Russell Sage Foundation
 The Leopold Schepp Foundation
 The John Ben Snow Foundation, Inc.
 Thomas F. Staley Foundation
 The Steele-Reese Foundation
 The Teagle Foundation, Inc.
 Louis Comfort Tiffany Foundation
 Wenner-Gren Foundation for Anthro-
 pological Research, Inc.
 Western New York Foundation
 The Helen Hay Whitney Foundation

NORTH CAROLINA

The Mary Lynn Richardson Fund

OHIO

Armco Foundation
 The Ashtabula Foundation
 The Cleveland Foundation
 The Crosley Foundation
 Greater Cleveland Associated
 Foundation
 Charles F. Kettering Foundation
 Knight Foundation, Inc.
 The Elisabeth Severance Prentiss
 Foundation
 The George J. Record School
 Foundation
 The Charles E. and Mabel M. Ritchie
 Memorial Foundation

OKLAHOMA

The McMahon Foundation

The Samuel Roberts Noble Foundation,
 Inc.

OREGON

The E. C. Brown Trust

PENNSYLVANIA

The American Philosophical Society
 Helen D. Groome Beatty Trust
 Board of Directors of City Trusts,
 City of Philadelphia
 Carnegie Hero Fund Commission
 Samuel S. Fels Fund
 Childs Frick Corporation
 Henry C. Frick Educational
 Commission
 Girard Trust Bank Foundation
 Josiah W. and Bessie H. Kline
 Foundation, Inc.
 Laurel Foundation
 The J. S. Mack Foundation
 Richard King Mellon Foundation
 Smith Kline & French Foundation
 The John Edgar Thomson Foundation
 Union Benevolent Association
 Williamsport Foundation
 Henrietta Tower Wurts Memorial
 Wyomissing Foundation, Inc.

RHODE ISLAND

The George A. and Eliza Gardner
 Howard Foundation
 The Benjamin N. Kane Foundation

SOUTH CAROLINA

The Self Foundation
 The Spartanburg County Foundation

TENNESSEE

The Evans Foundation, Inc.
 The C. M. Gooch Foundation

TEXAS

M. D. Anderson Foundation
 Rocco C. Caffarelli Educational Trust
 The Clark Foundation
 The M. S. Doss Foundation
 Hillcrest Foundation
 Frank Lindsay Student Aid Fund
 The Luling Foundation
 The Moody Foundation
 Oldham Little Church Foundation
 Minnie Stevens Piper Foundation

Myra Stafford Pryor Charitable Trust
Southwestern Medical Foundation, Inc.
The Vaughn Foundation
Rob and Bessie Welder Wildlife
Foundation

VIRGINIA

The Edgar A. Thurman Charitable
Foundation for Children

WASHINGTON

The Seattle Foundation
Weyerhaeuser Company Foundation

WEST VIRGINIA

Laird Foundation, Inc.

WISCONSIN

Allis Chalmers Foundation, Inc.
Janesville Foundation, Inc.

WYOMING

Whitney Benefits

CULTIVATING A FOUNDATION

LET US SAY that this morning's mail brought you a letter from the ABC Foundation, "At a recent meeting of the Foundation's Board of Directors, your application for a grant to spread happiness throughout the United States and its possessions was reviewed. I am pleased to inform you that your application was approved, and we are enclosing herewith a check for \$1,000,000. Please acknowledge with a receipt for our files."

Actually, your job with the ABC Foundation, as is true of all foundations who make grants to your agency, has not ended. It has, in fact, just begun.

You owe this foundation something. At the very least, it is a sense of appreciation, as evidenced by reports (usually one every six months) as to how you are spending its money.

This is the first essential in cultivating a foundation and engaging its loyalty for the years to come.

The president of a top ranking foundation made this typical — and rather frank — comment: "So many times when we make a grant, that's the last we hear of the organization — until a year later when they ask us to renew the grant. No reports, no interim statement, nothing in between. I won't pretend that I read in full the reports of agencies that make them regularly. But at least we know that they care enough about our good opinion to make the effort."

An all too human reaction? Foundation executives are as human as anyone else.

The process of cultivating a foundation does not, however, end with the issuing of reports.

Here are some points you should remember:

Invite foundation executives to your offices to observe programs in actual operation. It's surprising how many acceptances you will get, particularly if there is a new activity under way. But even if they do not accept, you will, at the least, have brought your organization to their attention in a favorable manner.

It goes without saying that foundations — those currently contributing as well as prospective contributors — should receive routinely your organization's Newsletter, if it publishes one, its Annual Report, as well as any other material of a generally informative nature.

Does your agency make news? If it does, you should remember that the likelihood is remote that a given foundation executive will actually see the news story reporting your organization's activities even if the foundation is located in your community. A typical newspaper will contain up-

wards of fifty news stories, not to mention the stock market tables, editorials, columnists, crossword puzzles and—yes—the comic strips—all of which are competing for his eye.

Obviously, you cannot rely on the newspapers to bring news about your agency to the attention of foundation executives. Rather, you should do so yourself by reproducing significant news stories and circulating them to your list of foundation executives with a covering note from your top executive or a leading Board member.

Let us be clear that a campaign of foundation cultivation is no substitute for a valid, socially useful operating program, or for a well-prepared presentation. It is no more than an adjunct, albeit an important one.

FOUNDATION POSSIBILITIES YOU SHOULD NOT OVERLOOK

UP TO NOW we have for the most part been talking about new foundations, foundations which you will be approaching for the first time in an attempt to secure a grant. Actually, there are three other sources of foundation income which may be even more likely. They are:

- currently giving foundations for an increase in a grant
- foundations which used to give, but stopped
- foundations which turned you down, but left a door open for another approach.

Currently Giving Foundations

Is your agency at present receiving any support at all from any foundations?

Was your answer "no"?

If it was, we suggest that you take a long, close look at your listing of contributors.

Our reason for asking is that we have found many agencies which will not consider a gift from a foundation to be what it is — a gift from a foundation — unless it exceeds \$100, or, at times, \$500. (Even when these are considered foundation gifts, agencies still presume that they cannot be raised above their present level.) Our advice to such agencies is that until they have taken the trouble to ascertain just what is the actual giving capacity of these foundations, they may be overlooking a mighty good fund-raising bet. To cite one example:

A child service agency in New York City, which, incidentally, was already securing \$200,000 in four and five figure contributions from 35 foundations, undertook a study of its files to determine if there were any foundations who were donating relatively small amounts.

The study revealed that some 50 foundations were making grants ranging from a low of \$10 to up to \$250.

The next step was to check with the Foundation Directory. By definition, if a foundation is included in the Directory, it has assets either in excess of \$200,000 or makes grants in excess of \$10,000. All but 13 of the foundations were *included* in the Directory.

As a matter of fact, one of the foundations had assets of over \$3 million. It was making a grant of \$25. Another foundation was giving

away \$400,000 annually; its gift to the child service agency was \$125.

This information was enough to spur the agency into a concerted effort to increase the amount being given by these foundations.

The agency prepared a simple but effective case for increasing contributions. Board members made personal appointments with trustees of the various foundations. Key foundation officials were invited to visit the agency's headquarters and observe the programs in operation.

The campaign is still continuing at this writing. It has already resulted in a gift of \$25 leaping to \$5,000; in a grant of \$100 changing to \$7,500; in a \$10 gift becoming a \$2,000 grant. There is every reason to assume that a number of other foundations also will contribute more, and that those who have already increased their grants will continue to give at the higher level.

Actually, your efforts to secure increased income from currently giving foundations should not stop with those who are giving little and could be giving more. Rather, you should also concentrate on those who may be giving substantially, but who might be induced to give even more substantially.

For example, foundations who are now making general purpose grants to your agency may also be considered as likely possibilities for supporting new special projects that your organization wishes to undertake.

For one thing, their interests obviously fall within your field. For another, the fact that they are already supporting your agency means that they know and have confidence in it.

There is a judgment that you have to make in this regard, however. In getting a special project grant, you run the risk of losing permanently the general operating grant. So you will want to weigh such factors as how much is represented by the general operating grant. Is it worth taking the risk of losing it to secure the grant for the special project? Are there other foundations—new ones—whom it would be advisable to approach first?

If you do not choose to approach foundations making general operating grants in terms of a special project, you should, nonetheless, ask yourself whether you can legitimately request them to increase the amount they are now giving for general operating purposes. The examples cited in the section dealing with the securing of general operating funds are equally pertinent as a basis for asking foundations to increase the amount they give at present for this purpose. At the very least, presenting a sound case to a foundation as to why it should be giving more, will help insure that you won't end up by getting less.

Lapsed Foundations

Next to currently giving foundations, foundations that are most likely to support your agency are those which used to give but stopped. Just as there are many reasons why a foundation will make a grant to an organization, there are many reasons why it will discontinue doing so.

If you are conducting a well rounded foundations program, you will try to find out why the grant lapsed. Sometimes the reason is obvious; sometimes a little digging may be necessary to determine the actual reason.

The letter from the foundation may have said, "We have taken on many new commitments this year, and must, therefore, decline to renew the grant we have been making to your organization." The true reason may, in fact, have been more personal. A foundation trustee who may have thought highly of your organization is no longer with the foundation. Or, conversely, a member of your Board, no longer active, may have been instrumental in securing the grant.

The second example was the case with a family service agency. The agency reviewed the names of the foundation's trustees with its Board of Directors and learned that a relatively new member was acquainted with one of the trustees. He wrote the next appeal letter. The grant was resumed.

This example seems so simple, so utterly obvious, that we hesitate to give it, except that it has happened in more than one instance. A Board member of an agency concerned with international health problems wrote each year to a particular foundation to ask that a general purpose grant be renewed. The last time he did so, there was no response, and that was the end of the matter. No follow-up was made. The next year he wrote again, not only asking that the grant be resumed, but that the amount not given the previous year be included. The grant was renewed at its previous level. With it came a note stating that the foundation's resources would not permit it to make the equivalent of a two-year grant, and asking why he had not written the previous year. His letter of last year had simply gone astray!

This happens . . . sometimes it may even be that the letter did reach its source but was misfiled. All that would have been necessary was a follow-up letter, or better still, a phone call.

One final example: Some ten years ago, a very large New York foundation made a grant of considerable substance to help a charitable organization concerned with international affairs establish itself. It did so with the stipulation that this would be a one-time grant. During the intervening years the agency grew, expanded its services, undertook a number of exciting projects.

One project which they hoped to undertake fell directly within the field of interest of this foundation. They hesitated to approach the foundation because of the original stipulation. Finally, they did so. They found, first of all, that the foundation's personnel had changed rather considerably. But that, even if there had been no change, the project in itself was so useful that the foundation would have waived its stipulation.

There are some rather pointed lessons to be learned in these examples. The first—and most important—is this: *Unless there are overwhelmingly compelling reasons for doing so, do not give up on a foundation which used to make grants to you.*

Try a new approach. If that does not work, try a still newer one. Make sure that you routinely keep lapsed foundations informed of your organization's activities, particularly new ones. In fact, make sure of all your "routines." More grants have been lost than one would suppose, through simple clerical oversight.

Re-read the section on cultivating a foundation. Virtually every point mentioned there applies to getting lapsed grants restored.

Foundations Which Turned You Down

As you conduct your foundation campaign, you can expect—in the nature of things—to receive rather more "No's" than "Yes's."

This will happen—even if your request is a perfectly sound one and even if you have carefully screened and researched the foundations which you are approaching.

The reasons are obvious.

Competition for foundation support is keen and continuing and even the giants—the Ford Foundation, the Rockefeller Foundation, the Duke Endowment, etc., do not begin to possess the funds to meet all the requests for support of worthy projects that come to them.

For as McGeorge Bundy remarked wryly with regard to higher education: "The present need of deans and presidents, strung end to end, would go three times around the endowment of the Ford Foundation, without a pause for breath."

So the first reason why your solid proposal may have been turned down is simply that there wasn't enough money to go around.

There are other reasons, too. The broad purpose foundations, as the name suggests, are relatively unlimited with regard to their fields of giving. But even here, points of emphasis develop during a given year.

As one executive with a broad purpose foundation put it. "An awful lot can depend upon when we receive an application. Two years ago, we felt that we should be giving more to projects concerned with child development. Now there is a swing in the pendulum. An application concerned with developing a useful cultural activity would stand an excellent chance today when it would have had very rough sledding not too long ago."

Still other factors can result in a turndown of your application by a given foundation. It may have already committed a substantial portion of its funds for that year, perhaps even for the next, to a particular project or series of projects.

The point to remember is this. Unless there was a most compelling reason for the turndown (i.e., The foundation could not care less about your agency's field of work, in which case, why did you approach it in the first place?) you should have no hesitation in the future in going to this foundation again.

The very fact that something has taken place between you and the foundation means that it knows you better, and if your presentation was soundly prepared, it means that you are known favorably.

Perseverance in approaching the same foundation is important. The files of virtually every organization that has been successful in developing support from foundations, would reveal a fair measure of successive rejections, and then, happily, approval of a grant.

WRITING THE PRESENTATION

THERE USED TO be a time when foundations made grants with rather more casualness than is the case today. An effective verbal presentation would suffice. Now, no matter how genuinely useful your project may be, no matter what exciting, new areas it will explore, it must — ultimately — find its support in the form of a written presentation.

This is, of course, as it should be. For while a paucity of genuine thought and a lack of basic logic can be covered up in spoken words, it is rather difficult to do when committing those words to paper.

In the final analysis, a well written presentation is very much like a good legal brief. It represents the effective and logical ordering of fact with the objective of making a particular case. It calls for a capacity to understand and interpret the nature of relationships. (This is the problem, this is the means by which we plan to attack the problem, this is the solution which we think may develop.)

Actually the writing of a good presentation begins before you set down a word. It starts with your own research, with the thoroughness and intelligence that you have put into developing the material which will make up your presentation.

By way of example, one organization — an agency helping blind children — sought funds to establish a summer day camp for its youngsters. It created the basis of its proposal by asking itself the kinds of questions it anticipated might be put to it by a thorough, tough-minded foundation. These were some of the questions:

The Need

1. Why is a summer day camp for blind children needed?
 - a) What can be said from our own observations?
 - b) Are there other authorities who can be quoted in this regard?
2. Will our summer day camp be the first of its kind in the city? In the state? In the country?
3. Are there any statistics available which would indicate the number of blind children who remain in the city during the summer months?
4. What meaning would the summer day camp have to the parents of the children? Would it be useful to secure comments from them which we might quote?
5. What makes us particularly qualified to conduct the project?
6. Why can't it be financed from our own resources?

The Purpose

In addition to providing supervised recreation for the youngsters, what are some of the purposes of the summer day camp?

1. Better adjustment to normal society? Improved school grades? Gaining of new skills? Is there a way in which we can measure our success in achieving these purposes?
2. Is there information which we hope to develop in conducting a summer day camp, which might serve as useful guideposts to other agencies throughout the country?
3. Are there plans to publish such information? If so, how would it be disseminated?

The Program

1. Where will the program be conducted?
2. How many youngsters will be taken in? Any particular age requirements? Will any fees be charged? Do we have any idea who these youngsters might be? Can we cite typical case histories?
3. What will be the number of hours per day, and days per week, in which the summer day camp will be open?
4. Are there any special facilities or equipment required for the day camp?
5. Will the children furnish their own transportation, or are special funds required for this?
6. What kind of staffing will be required for the summer day camp?
7. What is the total operating budget for the first year? For the second year?
8. Do we propose to carry on the program after the grant is exhausted? If so, how do we anticipate raising the funds to do so?

It is the answers to questions such as these which will tell you whether a basis actually exists for approaching a foundation successfully, and which will form the heart of your written presentation.

What You Say In Your Presentation

Most foundations do not provide applications, nor suggest formats which a presentation should take. The Field Foundation, however, has spelled out in considerable detail, in a recent Annual Report, the kind

of information it expects to find in a proposal which has been submitted for its consideration.

"First, application for grants should be made only after the applicant is certain his project is within the area of the Foundation's interest — children, interracial and intercultural relations.

"Application should be made by letter, preferably first in an exploratory letter. The response to such an exploratory letter will indicate whether the applicant's appraisal that his project is in the Foundation's current area of interest is well founded and also whether funds presently may be available for such projects.

"In instances where the project appears to fall within the scope of the Foundation, the office will invite a formal application.

"There are no application forms, but in general, each application should give the following information:

- "1. Name and address of tax exempt organization which will be the recipient if a grant is made.
- "2. Relationship of individual signing the application to the applicant organization.
- "3. Amount asked and specific purpose.
- "4. Significance — that is, what the grant is expected to accomplish.
- "5. The need or problem, including the background.
- "6. The proposed solution and method of approach to the problem. (In the case of scientific research, the hypothesis.)
- "7. Use to which the findings will be put, including plans to publish or publicize results.
- "8. Relationship of this proposal to the Foundation's program as discernible in its recent published reports.
- "9. Endorsement of request by qualified individuals.
- "10. A detailed budget showing how the requested grant would be spent.
- "11. Length of time for which the Foundation's aid will be needed. Include a schedule indicating most desirable time to start and terminate grant.
- "12. If staff is to be increased to carry out this project, what qualifications will be required and what evidence is there such a staff is available.

- "13. Concise presentation of the essential facts. Usually a two or three page summary is adequate. A long memorandum and exhibits may accompany the summary if the applicant thinks these will strengthen his case. (A concise and forceful statement of the facts has more persuasive value than the format of the presentation.)
- "14. A copy of the ruling from the U. S. Treasury granting federal tax exemption.
- "15. If applicant organization has been active for a period of years, it would be well to provide a supplemental memorandum, indicating in brief the organization's accomplishments to date, the date and extent of current and earlier support as well as the record of balances or deficits of past years."

As terse as the Field Foundation's statement is lengthy is this comment from the Ford Foundation:

"The Foundation does not use grant-application forms. Proposals should set forth objectives and details of methods for carrying them out, the qualifications of the persons and institutions involved, and an estimated budget."

A word, in particular, about the budget. It is not unusual for a well prepared application to defeat itself on the budget page — not through any intent to deceive — but rather because the rigor that went into the writing of the presentation was not carried through in the preparation of the budget.

A loose exaggerated budget makes it appear that you expect the foundation to chop down your expenses — a task which few foundations relish; the axe is more likely to fall on the proposal as a whole — or that you simply hope to get as much as possible without much regard to what the project will actually cost.

Oddly enough, a considerable number of organizations err in the other direction — presenting budgets which manifestly will not cover the costs of the project. We have seen proposals calling for the introduction of a number of new services — without any indication of the salaries of much of the personnel who would supposedly provide these services. (Sometimes this makes sense, if the agency intends to share the cost of the project with the foundation by providing certain services from its own resources — but even here, the costs of such services should be spelled out.)

Other grant seekers are guilty of an over-zealousness in keeping the costs of the project down — sometimes listing salaries so niggardly that any perceptive foundation executive is bound to conclude that the project must flounder through the simple inadequacy of the personnel engaged to carry it out. Frequently, too, when the project is designed to run for more than a one-year period, grant seekers neglect to make provisions for nor-

mal salary increments during the second or third year — a fact which may make a foundation official wonder whether the project has been entirely thought out.

Here is a basic rule of thumb you should remember in preparing your budget. The budget is a picture — in dollars and cents — of the total project. If your budget contains expenses of substance for items that are not covered in your written presentation — something is wrong with the picture. Conversely, if you have indicated in the written presentation anything that will cost money — services, facilities, travel, etc. — and have not presented these expenses, reasonably itemized in the budget — the picture is equally wrong.

Say The Important Things First

As noted, foundations do not provide formats for you to follow in applying for a grant.

For a number of reasons — one of the more significant being that your presentation may be no more than one of eighty or ninety received by the foundation that month — it is useful to communicate the essentials of your proposal at the onset and develop the supporting detail as you continue.

For example, the agency helping blind children — referred to earlier in this chapter — might have begun its presentation with these two paragraphs:

This is a request from (name of organization) to (name of foundation) for a two-year grant of \$..... (\$..... for the first year, \$..... for the second) to finance the establishment of the first summer day camp for blind children in (name of city).

In undertaking this project, we seek not only to provide a significant recreational experience for the boys and girls who will participate, but also to determine the after-effects of such a program with regard to such considerations as improved social adjustment, gains in school grades, acquisition of new skills, etc. At the end of the two-year period it would be our intention to publish our findings for dissemination to the professional community.

By way of general information, most foundations will look more favorably on financing a project which, in a sense, is larger than itself, which has "resonance," as a distinguished philanthropist once characterized it. This is to say that a project which helps people has a certain degree of validity. A project which helps people, *and* also develops knowledge or information which may help still more people, has considerably more validity.

Foundations, also, are loathe to put themselves into a position of supporting a given project indefinitely, no matter how useful it may be. It is always important for you to know — and to convey — what you intend to do with the project once the foundation grant is exhausted. Perhaps it will be continued through your own resources, or, possibly, it may simply be unnecessary to continue the project beyond the period of the foundation grant.

At this point it is surely unnecessary to stress that your project *must* be within the field of interest of the foundation you approach. We mention this only because so many foundation executives tell us that this is the single greatest reason for rejection of requests for grants. The applicant simply did not take the first basic step of ascertaining whether the foundation, in principle, would be interested in the project.

Clarity, Simplicity . . . and Brevity

One final word about the writing of your presentation:

Obviously, clarity of thought and simplicity of language are essentials. Know what you are about when you write your proposal. Do not depend upon the reader to figure out what you mean, or why your project is important. Tell him, in so many words. If it is necessary to use social work, medical or scientific terminology, keep this to a reasonable minimum.

To clarity and simplicity, let us add another essential: brevity.

Let's assume you have written your application. How long does it run? If it is more than five single spaced typewritten pages, not including the budget page, try writing an outline, including only the essential details.

Read your outline. Is it possibly sufficient unto itself? Perhaps some polishing of the language or the adding of a few more details will make it do.

The point, of course, is that brevity is a key factor in the preparation of successful foundation applications. The executive of a medium sized foundation told us that he receives an average of 20 applications a week. That's 1,000 a year. "We don't read them all," he said frankly, "at least, not in their entirety." By its very nature, the bulky application, filled with all sorts of exhibits, many of them obviously involving a lot of time and expense, stands less of a chance than the concise, succinctly written proposal.

Somewhat cornily we remind you that the Gettysburg Address covers less than a single typewritten page; the Declaration of Independence isn't much longer.

A FINAL WORD

NO TWO FOUNDATIONS are identical. And no set of check points will cover all of them. Following, however, are basic questions you should ask yourself while undertaking your efforts to secure support from foundations.

YES NO

- Do I know for a fact that the foundation(s) to which I plan to send my application is genuinely interested in the field of work with which the application is concerned?
- Have I ascertained how much these foundations grant, to whom they are making grants, and whether there is a particular period of time at which grants are approved?
- Have I enlisted the cooperation of my Board of Directors and other volunteers, to the fullest extent possible?
- Have I looked into the possibility of securing a personal appointment?
- In seeking general operating funds, have I sought to present a special reason justifying such support?
- Have I kept my presentation brief, factual and to the point?
- Is the budget for my application realistic and fully thought out?
- Are all presentations that I sent out individually typed?
- Do I report fully to foundations which give grants to us as to how their funds have been expended?
- Do I pay particular attention to renewing foundation grants which may have lapsed?
- Do I persevere with foundations interested in my field even if an application is rejected?

Things being as they are, even if you answered "Yes" (obviously, the right answer) to all the questions, no one can guarantee that your efforts in the foundation field will succeed. You will, however, have done all *you* can do to assure that success.

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SPECIAL NOTE

Considerable savings may be secured when ordering "How to Raise Funds From Foundations," by Joseph Dermer, in bulk quantities. Following is a listing of prices:

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About the Author

JOSEPH DERMER, President of his own New York City public relations and fund raising organization, has spent much of his professional life assisting philanthropic organizations with their fund raising and public relations activities. His firm currently represents some of the country's most distinguished social, educational, health, welfare and religious institutions.

This manual not only represents the distillation of nearly 20 years of Mr. Dermer's personal experience in developing funds from foundations, but includes, also, the thinking of many members of his staff, as well as a number of foundation officials.

Mr. Dermer received a B.A. and an M.A. degree in English from the University of Wisconsin. He is married and the father of two adorable girls.