

TOP 3 COST-EFFECTIVE RESOURCES

1. Minnesota Foundations 2016

- Minnesota Council of Nonprofits
- \$100 for members, \$150 nonmembers
- December 9, 2015
- Register online at minnesotanonprofits.org

2. Giving Memo: MCF's e-newsletter for grantseekers

- Register online at mcf.org

3. A skilled volunteer editor (English teacher?) at your organization

TOP 5 WAYS TO IRRITATE A PROGRAM OFFICER

1. Submit a proposal for a project that is clearly not aligned with their published guidelines.
2. Don't proofread; submit a proposal that suffers from cut-and-paste syndrome.
3. Submit your proposal late, or call at the eleventh hour and request an extension.
4. Promise the world, but fail to offer a clear plan of how you will achieve your goals.
5. Submit a budget that bears little or no relation to your project narrative.

GRANT DEFINITIONS & TERMS

Source: Foundation Center, www.foundationcenter.org

Annual report: A voluntary report issued by a foundation or corporation that provides financial data and descriptions of its grantmaking activities. Annual reports vary in format from simple typewritten documents listing the year's grants to detailed publications that provide substantial information about the grantmaker's grantmaking programs.

Capital support: Funds provided for endowment purposes, buildings, construction, or equipment.

Challenge grant: A grant that is paid only if the donee organization is able to raise additional funds from other sources. Challenge grants are often used to stimulate giving from other donors. See also matching grant.

Community foundation: A 501(c)(3) organization that makes grants for charitable purposes in a specific community or region. The funds available to a community foundation are usually derived from many donors and held in an endowment that is independently administered; income earned by the endowment is then used to make grants. Although a community foundation may be classified by the IRS as a private foundation, most are public charities and are thus eligible for maximum tax-deductible contributions from the general public. See also 501(c)(3); public charity.

Company-sponsored foundation (also referred to as a corporate foundation): A private foundation whose assets are derived primarily from the contributions of a for-profit business. While a company-sponsored foundation may maintain close ties with its parent company, it is an independent organization with its own endowment and as such is subject to the same rules and regulations as other private foundations. See also private foundation.

Corporate giving program: A grantmaking program established and administered within a for-profit corporation. Because corporate giving programs do not have separate endowments, their annual grant totals generally are directly related to company profits. Corporate giving programs are not subject to the same reporting requirements as corporate foundations.

Employee matching grant: A contribution to a charitable organization by an employee that is matched by a similar contribution from his or her employer. Many corporations have employee matching-gift programs in higher education that encourage their employees to give to the college or university of their choice.

Endowment: Funds intended to be invested in perpetuity to provide income for continued support of a not-for-profit organization.

Family foundation: An independent private foundation whose funds are derived from members of a single family. Family members often serve as officers or board members of family foundations and have a significant role in their grantmaking decisions.

501(c)(3): The section of the tax code that defines nonprofit, charitable, tax-exempt organizations; 501(c)(3) organizations are further defined as public charities, private operating foundations, and private non-operating foundations. See also operating foundation; private foundation; public charity.

GRANT DEFINITIONS & TERMS

Form 990: The information return that public charities file with the Internal Revenue Service (IRS).

General/operating support: A grant made to further the general purpose or work of an organization, rather than for a specific purpose or project; also called an unrestricted grant or basic support.

In-kind contribution: A contribution of equipment, supplies, or other tangible resource, as distinguished from a monetary grant. Some corporate contributors may also donate the use of space or staff time as an in-kind contribution.

Letter of inquiry / Letter of intent (LOI): A brief letter outlining an organization's activities and its request for funding that is sent to a prospective donor in order to determine whether it would be appropriate to submit a full grant proposal. Many grantmakers prefer to be contacted in this way before receiving a full proposal.

Matching grant: A grant that is made to match funds provided by another donor. See also challenge grant; employee matching gift.

Payout requirement: The minimum amount that private foundations are required to expend for charitable purposes (including grants and, within certain limits, the administrative cost of making grants). In general, a private foundation must meet or exceed an annual payout requirement of five percent of the average market value of its total assets.

Private foundation: A nongovernmental, nonprofit organization with funds (usually from a single source, such as an individual, family, or corporation) and program managed by its own trustees or directors. Private foundations are established to maintain or aid social, educational, religious, or other charitable activities serving the common welfare, primarily through the making of grants. See also 501(c)(3); public charity.

Program officer: A staff member of a foundation who reviews grant proposals and processes applications for the board of trustees. Only a small percentage of foundations have program officers.

RFP: An acronym for Request for Proposal. When the government issues a new contract or grant program, it sends out RFPs to agencies that might be qualified to participate. The RFP lists project specifications and application procedures. While an increasing number of foundations use RFPs in specific fields, most still prefer to consider proposals that are initiated by applicants.

Seed money: A grant or contribution used to start a new project or organization. Seed grants may cover salaries and other operating expenses of a new project.