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Nervous Discussions For Nonprofits On National Philanthropy Day

Five Tips Help Local Nonprofits Survive The Economic Crisis By Winning Competitive Grant Funds

Imagine the United States without over one million charitable organizations contributing to the quality of life for all Americans—from healthcare to the arts. For many impoverished and disadvantaged Americans, these nonprofits and charities are their only lifeline to survival.

On November 15th, more than 125 communities and 50,000 people around the world will participate in National Philanthropy Day® (<http://www.nationalphilanthropyday.org/>), a special day set aside to recognize and pay tribute to the great contributions that philanthropy, and those people active in the philanthropic community, have made to our community. This year marks the 23rd anniversary of this special day.

While Americans give approximately \$300 billion to nonprofits and charitable causes each year, this year's National Philanthropy Day will certainly include many nervous discussions about how current economic downtrends will negatively impact giving and the ripple effect it will have in the nonprofit sector. Nonprofits are impacted in four ways:

1. Endowments and foundations that award grants to nonprofits rely on interest compounded from their substantial financial reserves. Depending on the source, annual interest earned by these funds is down 15-30%.
2. Fundraising events rely on individuals writing checks. Who do you know now that is not in recession-mode and cutting back their personal expenditures?
3. Most nonprofits also rely on some form of competitive government grants. Those governmental funding agencies are also looking for places to cut and many intend to cut back on the quantity and amounts of grants they issue.
4. For nonprofits, while trimming back budgets and options is standard operating procedure, the demand for their services is on the increase.

Jonathan O'Brien, a local author, grant writer and consultant to nonprofits locally and nationwide is also feeling the economic crunch, but in an entirely different way. "I'm getting

three times the usual number of phone calls and emails from both established and upstart nonprofits," says O'Brien. "And this time they're not just looking for funding opportunities they are fighting for survival."

O'Brien specializes in program design: empowering nonprofits to design programs and write grant proposals that are competitive and compelling enough to be seriously considered for funding by funding agencies. One of the most successful grant writers in the nation, O'Brien is the lead writer of K&M Enterprises, a research and fund development firm that has earned more than \$410 million dollars in competitive grant awards for charities and nonprofits of all sizes throughout the world. One of his educational program designs is permanently enshrined in the Smithsonian Institution.

"There is no doubt that the business of giving is going to undergo a systemic shift," says O'Brien. "Competition for grant funds will be more fiercely competitive. Those who work with and for charities and nonprofits need to be braced to react to those shifts." O'Brien consults and holds workshops with several local community foundations, school districts and nonprofit agencies. But he also offers plenty of free advice to local nonprofits that seek out his assistance. To those local nonprofits preparing a grant proposal, O'Brien offers his five most helpful tips:

Remember that most grant proposals are lost before the actual writing begins:

Program design – that is, doing your homework about the funding agency and the critical need for the program in your area and then strategically planning a competitive and compelling program – is the first, and most overlooked, step that needs to take place before the actual writing of the grant occurs. This program design process takes a good or above average grant idea and structures it into an excellent program design that wins grant money. Those applying for grants need to retool their gray matter; that is reverse engineer the way they've applied for grants in the past. They need to get it right, before they write.

Collaborate or die:

Ultimately, the process of designing an excellent and fundable program is really the process of building a new, or expanding an existing, collaborative. Too many

applicants for grants merely describe what they're already doing with the same partners they've worked with for years. Instead, funders want to hear about new and improved ways applicants plan to collaborate for the specific proposed program they are proposing. And, they're looking at how each new partner will take the proposed program to the next level.

Don't plead poverty or position yourself as a victim of poor fiscal foresight:

Too many applicants see grants as a financial band-aid, a quick fix to problems that will replenish funds lost because their existing agency/program experienced unexpected cost overages due to poor management or overwhelming operating expenses. No investor, which is really what a funding agency is, wants to gamble money on an entity that does not know how to manage their money. On the other hand, if the community you serve was recently a victim of an unexpected crisis, then that is extremely fundable. In terms of program design, a crisis is a recent, unforeseen turn of events, setback, or an act of nature experienced by the population served by your agency or program. And, even if your program, agency or community does not have the resources, it needs to immediately address this crisis. Without this crisis, all you will be requesting is funds for current operations or duplicative services, something most grant writers do—and odds are that most applicants don't win competitive grants.

Request support from a person, not just a place:

This tip is relevant to local and foundation grants. Like it or not, who you know, with whom you've built relationships, and whom you've schmoozed on the funding side plays a key role in the grant-making process. The test for this lies in your cover letter to an application or in your letter that directly requests funding. Is your salutation addressed to a specific person (that's excellent) or to a group or generic job title (e.g., "Dear Selection Committee)?

Ask not what the funding agency can do for you but what you can do for the funding agency:

This is an important concept that 99% of those new to program design don't understand—nor do 98% of those with some experience. Although, 100% of the time this is the concept that often means the difference between winning and losing. Keep in

mind that the funding agency has an overall plan they intend to implement on a larger scale beyond the scope of your local area. They have invested time, resources, expertise and money putting together this gigantic programmatic puzzle of service organizations with one core purpose—to help realize their vision. The goal of your program design and grant application is to become a piece of their puzzle. The funding agency is not interested in how you plan to create and solve your own puzzle. Instead, by applying for funds, your proposal should demonstrate how and where you will help make the funding agency's vision a reality by making your program a reality.

In no way does O'Brien offer up these suggestions as a means to guarantee winning a competitive grant. "The final decision is in the hand of the 'Grant Gods' and is based on their mission, politics, geography, other funded programs and many other issues. What applicants can control is making their applications more competitive and compelling, and ultimately more fundable in the eyes of the funding agency."

O'Brien resides in Santa Barbara County. His new book, RIGHT BEFORE YOU WRITE: The Groundbreaking Planning Process Used to Win More Than \$385 In Competitive Grant Funds, will be released nationally on December 15th but is available now at www.SandyPointInk.com. His Blog is <http://showmethegrantmoney.sandypointink.com>.

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