



Identifying Foundations

Determining if a foundation is a potential funding match for your organization requires some homework. New funders constantly arrive on the scene and old funders change their focus areas and interests. In 2004, the National Center for Charitable Statistics at the Urban Institute reported there were 102,881 private foundations in the United States, with total assets nearing \$4 billion. The money is out there—but what are the first steps to finding it?

One alternative is to hire a consultant to perform prospect research. A good consultant will offer valuable insight into many key foundations. But, resources are not always available to hire a consultant. So, where do you go to start your list of potential funders?

Make a List of Past Funders

Even past and current funders should be researched each year to ensure their focus has not changed. View their recent grant making activity to see if they are supporting your competition, decreasing average gift sizes or focusing more heavily on one area than another.

Visit the Websites of Your Competitors

Competitors is not a popular word in the nonprofit sector—but when it comes to funding, anyone who does anything even remotely close to what you do is indeed a competitor. Visit their websites and make a list of their supporters, including corporate sponsors and in-kind providers.

View Annual Reports of Other Nonprofits

View annual reports of other nonprofits (often available online) who provide similar services to learn about new potential funding sources. Add those foundations to your research list.

Read and Talk!

The Indianapolis Star, the Indianapolis Business Journal and other local papers often print stories about recent grant awards from foundations. The Chronicle of Philanthropy has an entire section that lists recent giving activity of foundations, an annual report of a foundation and a list of deadlines, request for proposals and more. Talk to your social network, board members and others and let them know what your needs are; they may know about unique opportunities.

Search the Web

GuideStar (www.guidestar.org) lists 40,000+ foundations. Other great sources include Charity Channel (www.charitychannel.com) and even Google (www.google.com). The Foundation Directory, a subscription-based service, also provides access to 80,000+ foundations with the ability to search and sort using multiple parameters (monthly and annual memberships available).

Sign Up for Listserves

Charity Channel has a great listserv which delivers potential funding opportunities right to your inbox—Don Griesmann's Grant Opportunities. Grants.gov, the federal register of the 21st Century, delivers daily federal funding announcements. The Foundation Center also has a weekly listserv, and the Chronicle of Philanthropy has an e-edition available to subscribers.

That should get you started on building a master list of foundations which require additional research. What do you look for when you research these foundations? Sounds like a future article is brewing; until then, start building your list!