

Nonprofit 911 – January 27, 2009

Grantseeking During A Recession

with Cindy Adams, CEO of GrantStation

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Jono Smith: I'm thrilled to introduce our presenter, Cindy Adams. Cindy Adams has been a fundraiser for over 35 years, working directly for nonprofits and as a fundraising consultant. Cindy specializes in building bridges between funders and grant-seekers. She strongly believes that successful grant seeking requires a thorough understanding of the funders and sound knowledge of the playing field. Her life's work has been to level that playing field, creating an opportunity for all nonprofit organizations to access the wealth of grant opportunities across the United States and beyond. GrantStation, which she is the CEO of, was conceived from that basic philosophy.

And so without further ado, I'd like to welcome Cindy Adams.

Cindy Adams: Thank you, Jono, and hello to everyone who's on the phone today. Thanks for joining us. The agenda we're going to be covering is pretty simple and pretty straightforward, so I'm going to go pretty fast. Get out your pencils and your notepads and your Word docs and maybe take a few notes as we go along. I will be taking questions and there'll be a live Q&A at the end of this. If you have a question, you can send it in or you can ask me at the very end. The agenda is, we're going to talk a little bit about tips for developing successful grant-seeking programs or a grant-seeking strategy during the recession. And as part of that, we're going to learn how to use GrantStation, the GrantStation website, to help you indentify the right grant maker for any program or project that you have.

If you're looking at the PowerPoint, you should be looking at the agenda, which is third PowerPoint in, which gives you an outline of what we're going to be doing today. Go ahead and flip that to the next page, which says, "Part I: Tips for Developing a Successful Grant-Seeking Strategy."

I'm going to start by just talking a wee bit about really understanding the playing field. Jono said something about that when he was introducing me. I think it's important to really get a grasp of what's happening with grant makers across the country, before you can decide what you're going to do for your own nonprofit.

And I don't mean you have to read a lot. You don't need to read articles and pages and pages and go on the Net and look for all these different things. You just have to have sort of general feel for what's going on before you dig in and start to develop your own grant strategy for your own organization.

And even though some of you may already have a grants program in place where you're applying to different grant makers all the time, there will be some of you on the phone who don't have any grant programs at all. Is this the right time to even start a grants program? And the answer to that, as far as I'm concerned, is yes. And we'll talk more about that as we go through it, and maybe it will become clear why I feel that way.

First, let me set the stage for you. There are government grant dollars and there are private grant dollars. And in the government segment of the grant-making population, we're seeing that states themselves are really cutting back on their grant-making programs. I think that something like 43 states are facing budget shortfalls.

So the state revenue situation is really rapidly worsening. In fact, since I read that, we've probably added two or three more states to that. And I know around 50% of the states have really been cutting the range of services. And of course, where do they look when they cut their range of services? They look to the nonprofit sectors to fill that void.

And of course, they're giving less money in grants and they're expecting more from the services department. So it's sort of a catch-22 and it can be tough.

We're also seeing at the state level, a lot of cuts in the area of early education. K-12 and public colleges are getting hit pretty hard. Almost any vulnerable population. Children, elderly, people with disabilities, these are the areas that are getting cut at the state level. And even the state agencies themselves are culling or cutting their workforce. So we're seeing cuts all over the place at the state level.

And the federal level, you probably all pretty well know what's going on there. But there are discretionary grants and there are mandatory grants. In the area of discretionary grants - which most of you apply for - there have been substantial cuts. In fact, we're looking at maybe 10-11% decline in cuts. And the grants that are going to be awarded are going to look - as far as total amount of the awards - it's going to look a lot more like 2001 than it does like it should in 2009. So there's a lot of cuts.

And in the mandatory grants area, there's going to be, I would say, a very small increase in entitlement grants. Not what it should be, but something like 0.2%. So it's going to be a very small increase and not really cover the areas that need to be covered.

As far as what's being cut at the federal level: Social Services Block Grants, Children and Family Services programs, safe and stable family programs, voc-ed, adult education and training. You have to question this. But anyway, training and employment services. A lot of those type of programs are being cut.

We've seen quite a few federal cuts come down in the area of energy assistance, community development block grants, education programs for school improvement, safe and drug-free schools programs. So there's a lot of federal programs that are being cut. Again, the federal government looking to the non-profit sector to help fill some of the holes that they're digging out there.

And then there's the foundation and corporate funding. That's a different story. Right now, what we're seeing with foundations, we're seeing a strong trend - in fact, it started out maybe two months ago, we saw dozens of foundations, whether they were small family foundations in a community, or a large foundation like the Ford Foundation or Gates.

We saw foundations start to develop special programs to sort of build a safety net around these nonprofits that are being cut so drastically by federal and state funds. So there is this sort of circling of the wagons, if you will, in the foundation sector, to create new programs where they can give money away to help with immediate social needs in communities.

There's the Phoenix-based Virginia Piper Trust that's increasing its giving in the coming year by a million dollars, which is a lot for that trust. And they're calling it the Community Relief Grants Program. So you're seeing a lot of little programs like that one sort of popping up. There's one in San Diego called the Nonprofit Economic Recovery Initiative. And there's one in Napa Valley. It's the Safety Net Program, or something like that.

You're seeing dozens and dozens of these popping up all over, and we're now getting so that there's actually hundreds of them. It's important to keep your eye on these programs because this may be a saving grace for your organization, especially if you're providing any kind of social services within the regions that are really critical and have been there for a long time and all of the sudden you're taking fairly significant cuts. This is a good time to be watching those programs.

But also, the little program that's just starting out, that's never had a grants program before, or maybe has just received a few small corporate grants, or maybe a grant from a local community foundation. Now is a good time to be looking to these new funds that are being established.

I'm not quite sure how long they're going to be able to sustain this. And these foundations all have taken huge hits when it comes to their endowments, because of their investments. How long can they sustain this? I don't know. 2009, I think we look OK. 2010, it could be pretty iffy.

So if you are just starting a grants program or if you have a grants program in place and you want to be more aggressive, now is the time to do that. You don't want to be wishy-washy and spend months planning. You need to jump in.

Speaking of jumping in, I'm just going to say a word about corporate giving, and then really get into some tips about grant-seeking strategies. But the corporations out there, it's tough. You're looking at some of the corporations are dropping their corporate giving completely. And some of them who were major donors, such as General Motors in Detroit - and if any of you are from Detroit, you can attest to this. They gave a lot of money away in Detroit. And all of the sudden that money has just gone away. And any nonprofits that were receiving funding from Wall Street, the same thing.

There are a lot of big, larger corporations that are cutting their corporate giving programs, if not completely, then by a substantial amount. At the very same time, we're seeing small businesses, small corporations, give less as well. But instead of giving less overall, they're giving less cash and more in-kind.

So asking for product donations, because a lot of people have a lot of stock on the shelves. Now is a good time to be asking for that stock to be given to you. So if you need new computers for your office, or printers, or even a car, now is not a bad time to go down to the local dealer and ask for one. Because they're not going to give you cash and they are looking for write-offs. So now is a good time to go after that kind of product donation.

There's obviously a trend going on here. We need to talk a little bit about how you take advantage of the trend that is out there. The one thing I've been trying to tell people - and GrantStation has 20,000 members and so we get emails all the time from our membership asking us, "What can we do? What should our strategy be with grant makers?"

And what I keep telling people is that now more than the ever is the time to create a sense of urgency in your proposals, and to develop a comprehensive grant-seeking strategy. You don't want to be shy about that.

If you're looking at the PowerPoint, we were on Part I, which is the fourth page in, go ahead and flip it over to Part II, and it should say, "How to Use the GrantStation Website to Identify the Right Grant Maker." I'm just going to stop you there for a second and talk a little bit about creating that sense of urgency.

We have a whole tutorial on GrantStation that can help you on how to create a sense of urgency. It has worksheets and step-by-step and all that. But just let me talk to you a little bit about what that means when I say "create a sense of urgency."

First of all, the sense of urgency is never, never about the fact that you need money. Your needing money, or your funding being cut, is not where you should be focusing your attention. More than ever, you need to focus your attention on your mission and the problem and the need in your community that you're trying to solve or address.

So right now, when you're building your proposals - let's say you're a small organization, maybe all volunteers, or one staff, or one part-time staff. And you're writing a proposal to the local family trust. It doesn't have to be long; it can be two or three pages. You don't have to go into a lot of information about the organization. But what you do have to do is paint that picture so the family trust not only understands who you are, but why it is so important that they fund you now.

Because every foundation out there, every corporate giving program, every association that has a grant-making program, they're receiving tons of proposals. And the ones that are being reviewed and the ones that are rising to the top - it's like stirring an old can of paint. You stir it hard enough and all those chips rise to the top? That's what you want to do. You want to be one of those chips.

And the only way to do that is to create that sense of urgency. You want them to read your proposal and say to themselves, "Hmm. Boy, we really need to think about this one. Because if we don't do something, then XYZ will happen." And that's your job, your job is to paint the picture so they understand what you're talking about.

Let me give you some examples. Let's say - and I can take some too with questions. But let's say you're an after-school literacy program. And you've lost funding. What you have to do in order to create that sense of urgency - because you're not dealing with a disaster. It's not a Katrina-type of situation. When you think of a sense of urgency, you think of a tsunami or an earthquake and you have to get in there and do something right away or people will starve or freeze or whatever it is.

What you have to do is create that sense of urgency about your literacy program or that after-school program. So think about it. If you don't have the staff to open your doors any wider, then who has to turn around and walk out that door? Who doesn't get help? What happens to them? What does their day become? What their week become? What does their month become? What does their life become? Because your program wasn't able to take them in.

And you really have to tell that story, you guys. If you're a literacy program or -- let's say you're an arts program. It's hard to create a sense of urgency if you're an arts program, whether it's an arts program of any kind, really. But what you have to do is you have to discuss - let's say it's arts in the schools.

You have to discuss losing a generation of artists, and what art means to the world at large. And I'm talking one or two sentences, not an essay. And then sort of narrow that down to your community and then your neighborhood if you have to. But talk about losing that creative element in any given society and how it will affect your society, you neighborhood.

So creating that sense of urgency is really up to you. You're never going to have a section in your proposal that says, "The sense of urgency..." It's always going to be just this sense that you weave in and out of the proposal as you write it.

So let's talk a little bit about GrantStation, and some of the items and tutorials on the website that can help you. Go ahead and go to your PowerPoint, it's number six. And It'll be the home page of GrantStation.

And for those of you who don't know what GrantStation is, it's simply a set of online tools and resources that will help you identify the appropriate grant maker, whether it's government or private or a mixture of those two, for any given program or project.

And we only profile grant makers on GrantStation that are accepting requesting from a variety of nonprofits. So if you do your research using GrantStation, you're only going to be getting grant makers that would actually consider a proposal from you.

On the PowerPoint in front of you, it should be the home page of GrantStation. You'll see that the first couple of sections on the left-hand side, it says, "Membership Information."

And then there's something called "Tracks Depot." If you don't have the PowerPoint in front of you, everything in Tracks Depot -- and there's maybe 8-10 articles in there - these are all how-tos and they're open to the public. You don't have to be a member of GrantStation to get any of this. Everything under Tracks Depot is open to the public.

So can go to the website, it's www.grantstation.com. And on that left-hand side under Tracks Depot, there's an article called "Identifying the Right Grant Maker." When you get a chance, please read that. Share it with your board so they can understand the role that they can play in helping to identify the appropriate grant maker for any program or project. And you should read it. I think there are checklists and maybe a couple of worksheets. So it's pretty helpful.

GrantStation, if you are a member, you will also be able to use our searchable databases. If you scroll over to the next PowerPoint it will bring you down to the bottom half of the home page. And on that bottom half of the home page, every Monday we list a coming request for proposals. Again, that's open to the public, so anybody can look at that.

But you can also do you own individual search. So if you are a member - now you would have to be logged into the website to do this. But if you are a member of GrantStation, you can do a specific search on any given project or program that you're trying to work on.

So let's say that you need to develop a real grant-picking strategy around a very specific program. In fact, let's pretend that you're an affiliate of America's Promise and you're based in Connecticut. You're trying to find funding to expand an after-school program.

You can get on GrantStation, if you're a member - in fact, go the next PowerPoint, which would be PowerPoint number eight. It says "Search by Funder Name" at the top. You can search GrantStation two ways for private funders.

You can search by funder name, and on this page you would just type in the funders. So let's say you were at a conference for America's Promise or for after-school education or something, and someone mentions to you, "Oh, man, you're in Connecticut? You should really look at the Hasbro Foundation." You make a note of it in your little notebook. You come back to GrantStation at some point and you go in and type in "Hasbro." And then pull up their funding profile, their giving profile. That will tell you where they give, what they give to, all those things. In fact, we'll look at that in just minute.

But if you don't know -- you're still trying to find money for the after-school program and you don't know the name of the grant maker to go to, you don't know Hasbro, you don't know who you should go to. To develop or at least start to develop your grant-seeking strategy, the first thing you have to do is narrow it down to a couple of grant makers. You don't want to be looking at 20 grant makers or even 15. You want to get this narrowed down to two or three grant makers that might really work for you.

And personally, I like to start by looking at the private grant makes before I look at the home state, just because I know that if I can find a private grant maker and I can secure

that money, the management of that grant award is going to be much, much easier. So I almost always go after private money first, and then go after federal and state.

So go ahead and flip to the next PowerPoint, which is "Search by Areas of Interest." So you can search two ways on GrantStation. You can either look by funder name - type in Hasbro - or you can do an advanced search.

In the advanced search area, and we have an addition to this PowerPoint: it should say "Search by Areas of Interest and Type of Support" across the top of your PowerPoint. So there are three areas that you go into when you're doing a search.

First, you select your geographic focus. And almost always I encourage people to select both, so you're looking at both grant makers that give nationally and those that give in a region. So you select both. And then in that drop-down box - which we can't drop down because we're in a PowerPoint - where it says "Geographic Focus," you could drop down where it says Connecticut or Maryland or New York or California, or wherever you select your geographic focus.

And then in step two of the select areas of interest, they're not shown here, but we have 170 check boxes, 170 areas of interest. And this is an "and" search. So you would probably go in, if you're looking for money for your after-school program in Connecticut, you would select "Connecticut" in the geographic focus and you would select "after-school program" in the areas of interest.

And you can add to that. We could add to that later on, add a few more areas of interest, like we might add "youth" or we might add "art" if the after-school program mainly focused on art. So we could add that to it as well.

But I would start this with "after-school" and then we could go down to step three, where you can select the type of support. I would select "general operating support" or maybe go after "project support" or even "project planning" if you haven't planned this after-school program yet.

And then you hit "find funders" and I guess a search like this we would come up with maybe 12 or 15 funders. So then we would want to go back and add another check box, something like "arts" or "theater" or "music" to narrow that focus. Because it is an "and" search and the grant maker has to fund all of these things or they don't show up.

So it's a really, really easy database to use. If you become a member of GrantStation, I think you'll love it. Go ahead and go to the next PowerPoint. This is just a sample of funder profile in our database. This is the Home Depot Foundation. And we also have a Home Depot corporate giving program which has links to all the offices around the country. This is the foundation, and you can see what's in a founder profile.

Once you've done your search, you're going to come up with three to five to ten great funders, hopefully. And you will read through it and look at where they're located, how to contact them, who's the primary contact, and where they give and how much money they give. And then, of course, their grant range.

Let's say you needed \$75,000 for this after-school program. This would be good, because this is \$50,000 to \$125,000. Then it has eligibility requirement, your application deadlines. We describe the program under areas of interest. We talk about application procedures.

But the important thing on every profile, beside the fact that they work for you, would be the last updated date. We date stamp everything on GrantStation. Every time we update the site, every time we update a page, we date stamp it. So you always know how old, and hopefully how new, that information is.

So this profile came up while you were doing this search on GrantStation and a profile came up and the last updated date was six months ago - which isn't bad, because we usually update most grant maker profiles once every 10 months. But you might want to drop an email and say, "Hey, guys, is this the latest information? Is there anything new?"

And then our researchers will basically drop what they're doing, contact the grant maker and make sure you've got the latest information in your profile. And that's what we're good at. That's what we do.

So that's what a profile looks like on GrantStation. Now one thing you need to know about finding a funder database or a private database on GrantStation is that we only profile grant makers that are actively accepting requests from a variety of nonprofits. So if a grant maker will not accept a request from you because you are affiliated with a church or something, we're not going to put them on there.

They have to be accepting requests from a variety of organizations. If they are only accepting request from the local United Way and the local hospital and that's the only place they give money every year, they're not going to show up on GrantStation. So they have to be actively accepting requests from a variety of groups.

That's why it's so important for you to drop us an email if the last update date is old, or more importantly, if you go into the "find a funder by name" - remember how we talked about typing in the name of the grant maker and I was using Hasbro as an example? Let's say you typed in Hasbro and nothing came up. And you tried spelling it two or three different ways and just nothing's coming up, then your job is to send us an email.

Your job isn't to get on Google or Yahoo and look for it yourself. Let us do that. If you're a member of GrantStation, that's our job. That's what we do. We do research. And the first thing we'll do is we'll look at our holding tank. And we have thousands and thousands of grant makers in the holding tank.

They're not there because they've been drinking. They're there because they are, for some reason or another, not accepting proposals at this time. So we can look in that holding tank and then send you the relevant information so you know what's going on with that grant maker.

OK, let me skip to the PowerPoint which talks about federal and state funding research. We also have lots of federal and state funding that you can search on the web. Under

federal - we update this twice a week - we list all of the upcoming RFPs. And you can search by deadline date.

So you can click on February, 2009, or March, 2009. It's already almost February, so I wouldn't even want you to look until April, because it takes a long time to write a federal proposal. So you can search by deadline date and by keywords. So you would pick a set of keywords like "youth, after-school" whatever it is and do your search accordingly.

It takes about 10 minutes to do your federal research using GrantStation. You will love it. We get about 8,000 hits a day on the federal area. People love that area of the website. And then you can also do your state research. You just go into our state government funding links, click on the state of Connecticut or Maryland or Oregon, wherever you are, and you will live links to all of the grant-making agencies in your state.

And we update that about once every six weeks because they change a lot. And you are only getting links to active grant-making programs. So if the deadline has passed and the grant has been pulled, that link comes up. So it's a very fast way to do your federal research too.

Go ahead and flip over one more time to the next PowerPoint slide, and it should say "Sample Worksheet" on it. I'm getting close to wrapping up here, so I will give you this quick review of how I would put together a grants research.

What I usually do when I'm doing a sample worksheet - and this is on GrantStation of you're a member - is I like to summarize the project. And you'll see on the sample worksheet page that we have the project, the lead staff person, a description of it, the need, a budget summary. And then underneath that at the very bottom, you'll see "Grant makers amount to request and grant deadline." This is my grant strategy.

And what I've done with this grant strategy is I've found five grant makers. I need to raise, in this particular instance in this sample, we need to raise about \$16,500. So I put together a grant strategy so that when you add it all up, it comes to about \$48,000. But it is different pieces coming from different places at different times.

And so it allows me to make a couple of applications, so if those are denied, or if one of them is funded and one is denied, then I've got a strategy to who I'm going to go next. A grant maker identified to whom I will go to next.

So this is on the application if you're a member. It's a great little step-by-step tutorial with a sample worksheet and a blank worksheet for you to use on how to develop a grant strategy for any given program or project.

Then the very, very, very last PowerPoint before we open it up for questions, is a PowerPoint that talks about establishing an aggressive grant seeking program. And this is really an area that is just for the advanced grant seeker. So if you're just starting out with grant seeking, stay away from this area.

This is really sort of detailed work for an organization or an individual who's done a lot of grant seeking. It's a step-by-step tutorial on how to establish an aggressive grant seeking program. And that is the end! By Cindy Adams. I'm going to hand you back to Jono.

Jono: Great. Thank you very much, Cindy. I know I learned a lot about grant seeking, and I hope everyone on the phone did. We also have a ton of great questions that we're going to start answering right now.

The first question comes from Maria. Maria says, "What if you don't fit neatly into foundation programs? For example, the work our organization does straddles human rights, international justice, but doesn't fit neatly into either one. Do you have any suggestions for this?"

Cindy: Hi, Maria. Yeah, I do. This happens actually a lot to organizations more and more as we become more of a global society, that we're finding organization are straddling - and even Big Brothers, Big Sisters is straddling fences they've never straddled before. I think part of what you have to do is it's really important when you're looking for a grant maker, make sure that the project or the program - let's say it's just general operating money - that you're trying to get funded, that you've clearly articulated the mission of your organization.

Because even though a grant maker may say they're just doing international justice issues or they're just funding human rights issues, it's a very grey line for them as well, because everything is bleeding over into everything else. It used to be it was just community development or you did economic development. But now it's sort of bled into one another.

And that's happening across the board with many, many different types of issues. The important thing there is to play up your mission. And in fact, if you could put a quote from your mission on your cover page, it's a great place to sort of set the stage for the grant maker. I hope that helps a little.

Jono: OK. We have several questions from folks asking about how to create a sense of urgency in their applications. Specifically several people from private schools and independent schools and school asked that question. Let me run through a couple of these. Steven says, "What is the best way to create a sense of urgency in a standard application from a foundation that contacted the nonprofit requesting a submission on their form?"

Cheryl says, "How do you create a sense of urgency for a private school?"

Bridget, along the same lines, says, "As a nonprofit independent school, we have an overwhelming need to match the fundraising we do among our population for our tuition assistance program. How would you create a sense of urgency for this?"

So, any thoughts, Cindy, that you have on creating a sense of urgency, as well as specifically we have a lot of people who have written in from arts and educational organizations.

Cindy: Yes. That's a big question. Yes, I could do that. I could do it in another hour. But this whole idea of creating a sense of urgency, let me just - it's irrelevant what your issue is. If it's arts or children or youth or whatever it is. Neighborhood development or youth gangs or prison reform. It doesn't make any difference. Your job is to find that: what makes it urgent. What is there? What will happen if you don't address this issue? What happens in your neighborhood or what happens in your community? It's sometimes hard to look beyond that. But if you are working with after-school programs and you're having to turn students away from that program.

Get a quote from the local cop that's on the local beat and say, "What are these kids doing after school? Really, tell me. Where are they going? What's going on?" And describe that. Again, you can't write a section about the "sense of urgency." It has to be something that's laced throughout your proposal, so that the grant maker start to feel like, "Ooh, oh geez. We need to talk about this."

And whether it's a capital campaign - of course you feel a sense of urgency for it. You're trying to build a new school or a new business incubator or whatever it is, and you feel like it needs to be done. But remember, it's not the money that fuels the sense of urgency. The urgency is about what will happen if it's just status quo. If things don't change.

You really have to sort of paint the picture for the reader. Because they don't know what will happen. In fact, they really can't let their minds go there. They're reading a lot of proposals, and so unless you tell them exactly what's going to happen - and don't get dramatic about it. Don't use opinion words. State the facts; let the reader draw their own conclusions. Understatement is incredibly powerful. So just paint the picture and let them go there.

Jono: Not surprisingly a lot of folks are writing in and asking questions about the economy. Let's start with Tom: "You mentioned new foundation programs for economic recovery for non-profits. Will information be posted on the GrantStation website about these new programs? How do you we find out more?" Somebody else wrote in about the example that we used, which is Home Depot: "Obviously Home Depot announced some large layoffs yesterday. How frequently are these profiles updated?"

Cindy: OK, good questions. We update the website continually. So even if something is date stamped - the Home Depot one was date stamped I think in October. But that's the Home Depot Foundation and they're endowed and they haven't changed much. The Home Depot Corporate however, we had to jerk off the website yesterday. So, yeah, we update it all the time, constantly. We're always pulling information off the website if they announce that they're going to not be accepting. And sometimes we call and call and call and call. And we finally find out. Because they're usually in an uproar. And we finally find someone who can tell us what they're doing.

And actually with the Home Depot corporate giving, I don't think we did take them off the website. I think Julian talked to them yesterday and they said, "Leave it for now. We'll let you know in a week or two what we're going to do." So it's still there, I believe.

But we do update the website constantly, and we've got researchers that are all over this. They're constantly looking for new programs and following them up and listing them and putting them in the database. But if you hear of anything, send us an email, because we're always looking for leads. And that's info@grantstation.com.

Jono: OK, a couple of questions about, "Is this really just too good to be true?" Linden says, "What is the likelihood that I can really get a grant writing program up and going right away and that money might come to our organization by year's end?" And then a follow-on question for that. "For a new organization that is close to beginning their program, is it worth it to apply for grants? I've heard that most grant makers won't look at an organization until they've been up and running for at least one year."

Cindy: You guys aren't an easy crew. First of all, if you are just starting out as a new organization, there are grant makers that only give or are only interested in giving seed money. On GrantStation, you can do a search that way. Let's say you're an arts group and you're trying to find seed money so you can do art - let's pretend you're theater. "Arts theater, seed money, Maryland." And you can come up with the grant makers that do that. And they're still out there. There are grant makers that are doing seed money for startups.

The big thing right now, though, is mergers. So if you're thinking about becoming a startup, you might think about doing that under another nonprofit that's been successful, and just letting them be an umbrella organization over you for right now. That's a smart way to go. You can still probably get seed money, but you would be able to secure other dollars as well, because you'll be able to use this umbrella organization.

For those of you who are trying to start a grant program, the economy is bad, but there's still a lot of money out there. If you don't start it now, when will you start it? Even if you set a very small goal for yourself. Let's say you think, "I'm going to try to secure \$2,500 in \$500 grants from local businesses this year. And I'm going to match that with another \$2,500 for \$5,000." Or "I'm going to get two \$10,000 grants."

Whatever your goal is. If you don't start now, you'll never get your act together to do it. And things went down the tubes really fast, so they can come back up the tubes really fast. We don't know what's going to happen here.

Jono: OK, a couple of sort of logistical questions. Somebody wrote in asking, "Could you identify the difference between discretionary and mandatory programs?" And somebody else wrote in and said, "At what point does it become ideal to hire a grant writer instead of using staff time to write grants?"

Cindy: Discretionary and mandatory is usually when you're talking about federal money. Discretionary grants, or RFPs, are requests for proposals that come out of federal agencies that just about anybody can apply for as long as you meet the eligibility criteria. Mandatory are grants that are made by the federal government that are given to the state.

It's usually pass-through money; it goes to state agencies. So discretionary is really - and that's where the substantial cuts will come this year. But the mandatory are really those dollars that are given directly to the state for education or Health and Human Services or transportation. A lot of it's infrastructure money, and there is going to be a lot of infrastructure money coming out. So if you need a new parking lot, now's the time to ask for it.

What was the other question? Oh, someone asked at what point does it become ideal to hire a grant writer. Well, it depends. If you're really, really busy, creating time to write proposals is a tough, tough thing to do. If you have a good fundraising committee on your board, drafting proposals is actually something they can do, and we have a step-by-step tutorial on that on GrantStation. That can help you out a little bit.

We also have a webinar we did. In fact, I think I'm giving the first one on creating time, how to make time in your schedule. At GrantStation we're offering that in February.

But on hiring a grant writer, if you have a specific grant proposal in mind -- let's say there's a request for proposals that's come out, it's a federal proposal, it's going to be tough to write. Then hiring a grant writer can be an incredibly efficient way to go. Make sure they're good.

Otherwise I think, keepo it in-house. If it means hiring a grad student in English and letting them take some trainings on how to write grant proposals, then do that. I've always hired grad students in English and trained them myself on writing proposals. Or in journalism, journalism is real good too. Hang on.

Jono: OK. Several questions from international callers: What about charities in Canada? Does GrantStation contain Canadian funders as well? What would you suggest for an international focused NGO that's based in the US? Are there warehouses for grant makers to Mexico or Latin America? And finally, what are good resources for pursuing funding opportunities for international projects from governments, corporations, and foundations?

Cindy: Well yes, we actually have -- our Canadian database is incredibly comprehensive. I'd say that's as good as anything that anybody in Canada has online. It's word-searchable, and for any of you that interested in the Canadian database, just give a call to the office at GrantStation or go to our website, www.grantstation.com. There's a tour on the website. You can take that tour with a little bit about the Canadian database. As far as other international grant makers go, I think our international grant-seeking section is really good. You can look at grant makers that are based in the US and give internationally, or you could do research on grant makers that are based in other countries.

So for example, you could go to Central America or to South America, and some place like Brazil, and do a word search on "youth." You would come up with grant makers that are based in that country or that are based globally and give in that country. We have a lot of global grant makers on GrantStation as well.

So it's pretty comprehensive, I think you'll like it a lot and it's super, super easy to use.

Jono: OK. Here's a question from Daniel. This is a tough question, so I'll warn you Cindy. People have written in basically asking what are the chances of getting infrastructure projects funded in this difficult economy? For example, Daniel says, "My second hat I wear is a volunteer fire chief for a small town. I've been tasked with the duties of trying to raise funds for the building of a new fire hall. The township has a fire land and I'm trying to find anything to help fund this project. As you're aware, Michigan's in trouble, so asking taxpayers once again to assist financially with this project would be a last resort. Do you have any suggestions or directions you could point me in that would be great for this endeavor."

Cindy: Well you're just going to love me. Yes, there are a couple of things. One, we just built an infrastructure database, a searchable infrastructure database that will give you all the federal sources for the state of Washington. If you go on the web -- or better yet, you know what? Just email me and I'll send you the link. If you go on the web and type in "infra-funding database," it will come up and it says, "The State of Washington." We built that and we keep it up-to-date. It has all the state of Washington funding in it, but it also has all the federal funding in there and you could put in "fire hall," and you'll be able to find the federal funding that will do that.

The other thing on GrantStation we have besides federal and state funding, there's also - I'm not going to say there's dozens. I would say for Michigan, I'm pretty sure you're going to come up with five or six private grant makers that will build fire halls.

I cannot tell you how many fire halls I've built - or found funding for -- over the years. Because we're in Alaska, and a lot of our villages, our towns, are geographically isolated. There aren't any roads to them. Even getting a fire truck into the villages takes -- you've got to fly a Herc in and unload the fire truck. Just getting it there is huge.

So I've built a lot fire halls and fire trucks and fire and safety expansions, and police. I know the funders are out there. Don't despair, you're going to come up with about four or five good private funders and there's probably going to be two pretty good federal. Then there's tons -- and I mean a trillion dollars worth -- of infrastructure funding coming out within the next six months. So watch for it. But we'll have it on GrantStation. Hope that helps.

Jono: OK. Several people have written in asking, "How does GrantStation compare to the Foundation Center? Could you please comment on the pros and cons of using GrantStation as opposed to the foundation directory by the Foundation Center?"

Cindy: I've never heard of them. No, I'm kidding. I'm kidding. A little joke. I love the Foundation Center. I used to use it all the time when we didn't have a GrantStation.

The difference between Foundation Center and what we do is a couple of things. First of all, just the profiles. We don't build our profiles based on history, on the IRS form 990. We figure you can get that information if the grant maker turns out to be the right grant maker.

The way we build our profiles on GrantStation is we focus on - we work with the grant maker and we're asking them to review their profile. The question is not, "What have you funded in the past?" The question is, "What will you fund in the next 12 months?"

So when you see a date stamp on something at GrantStation, that's not information that was added to that record that was already old by the time you put it in the record. That grant maker has reviewed the record and that question was, "What will you do in next 12 months?"

So you will see on GrantStation a lot of notes from the authors that are authoring their profiles. They may say something like, "Watch this organization. It's also going to be introducing a new fund in May of 2009, and it's going to focus on trails in Michigan." So you'll see things like that in our profiles.

And we don't have 80,000 foundations on GrantStation. We have maybe 8,000, because we only profile grant makers that are actively accepting requests from a variety of nonprofits. If they're not going to give to you, they're not going on our database. That's the big difference. And then, of course, we have all the federal and all the state as well. So you can do all of your research -- your state level, your federal and all your private research -- from one website. So I think that's probably the main difference.

Jono: We just talked about infrastructure, and not surprisingly, we had questions on the other side. Cindy, somebody says, "Do you see that most granters are looking more for brick-and-mortar types, or proposals for services still on the priority list?"

Cindy: Actually, they seem to be moving away from brick-and-mortar, and more towards services. And I said this at the very, very beginning that the central government is cutting the block grants, the social service block grants, which are part of those mandatory grants that they make to the states. And because of that we're seeing the Children and Family Services programs cut, and safe and stable family programs cut. Really I think bricks-and-mortar is actually harder to find than services.

Will there still be money out there for bricks-and-mortar? I think so. I think we really have to go at it a different way. In fact, I'm designing a webinar to talk about that, maybe a whole new approach to how we go after capital money and endowment money during the recession.

Jono: We've had a couple of people write in with questions about seeking in-kind donations. Does GrantStation provide any resources or information to help establish a strategy for finding and acquiring in-kind donations?

Cindy: Good question. We have a whole section called "In-kind Donations" on the website. You can go to the website, which is www.grantstation.com. On the left-hand side, you scroll down in the member area, we have a section called "In-kind Contributions." And what it is, is it talks about is how to define what an in-kind donation is, and then how to secure in-kind contributions and use in-kind contributions to leverage grant dollars, real cash. So documenting in-kind donations. We have samples and worksheets and checklists. You will love it, and it's super-simple. Everything on

GrantStation is written very short, very to the point. We tell you what to do, we give you a worksheet, we show you a sample, and then it's your job. So I think you'll like it. There's a lot of information on the website for that.

Jono: The last question comes from Azeem: "Do have a strategy for targeting the corporate sector to get them to support our nonprofit organization?" In Azeem's case, they cater to senior health issues. But in general, a lot of folks are wondering what sort of strategy they should be taking towards corporate support, especially in light of the economy.

Cindy: Actually my new strategy on this is to -- remember how we used to get folks on our board to ask the local business for money? Erase that. Throw all that out. Set that aside for a while. What I would encourage you to do is have the executive director, the most active person in your organization, make appointments and go out to lunch with local business leaders. And not necessarily anyone that you might ask for money, although you may. But at this meeting, this lunch, you want to get that person to talk to you about the pulse of the community. It's really important right now to understand the pulse of the business community in which you work, because it may be totally different than what you think.

For example, I live in Fairbanks, Alaska. And if you go out and sit down with some of the leaders in our business community and have lunch, which I've done, and you talk to them about corporate giving in this economy, they sort of laugh and say, "Well, you know, I wouldn't ask so-and-so because he's not doing so good. But you definitely want to go after contractors on base because they're building like crazy over there."

And so all of the sudden, it may open up new avenues you haven't thought about, and other avenues maybe closed to you. But until you really take the temperature -- and you need to do it, or maybe a board member who you really trust to interpret. And then sit down and put all of your notes together and have a brainstorming session. Say, "How are we going to approach our business community this year?" So I don't know if that helps. That's what I've been encouraging people to do.

Jono: Great. Well I want to thank Cindy for donating her time today. It's not often we get one of our speakers right in the office. And she wins the award for traveling the furthest, all the way from Alaska to Washington, DC, where it's probably about 40 degrees warmer, even though it's snowing here in Washington. And again, I want to thank everybody who dialed in for today's call. We look forward to speaking with you again on our next Nonprofit 911 call. Have a great day, everyone.