

Added Value

Timely Info from Karen Eber Davis Consulting

Spring 2003

Grant Survey Results

Those citing increased challenges mentioned more competition, greater demands from funders including additional paperwork and increasing sophistication in the request process.

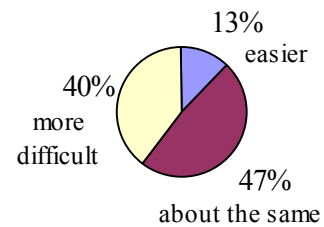
In January we gathered information from more than 50 nonprofits in the area to learn about their grant experiences in 2002. Below you can discover what we found.

Was obtaining grants in 2002 easier, harder or about the same?

Almost half the respondents reported getting grants in 2002 was “about the same.” A large number (40 percent) found the grant seeking process more difficult. Those citing increased challenges mentioned more competition, greater demands from funders including additional paperwork and increasing sophistication in the request process. Some stated that they received funds from the same funders, but less than the request or less than provided in the past.

A few organizations (13 percent) reported that getting grants was easier in 2002. Some explained this change by citing an increase in their grant seeking experience or special circumstances like opportunities related to capital campaigns or national recognition.

Obtaining Grants in 2002



Several groups intentionally sat the year out. In two cases, the organizations received other large gifts. Other organizations decided to focus on individual gifts in response to the economy or because they lacked good grant-type projects.

Overall, staff or organizational changes frequently were cited as part of the reasons for the different grant seeking experiences in 2002.

On average, how did we do when we applied for grant funding?

To answer this question, it is helpful to

Karen Eber Davis Consulting

Karen Eber Davis Consulting helps nonprofit organizations achieve their vision through planning and grants. Since 1993, the firm has served more than 100 clients from social service, education, arts, government, religious, environmental and healthcare institutions. The firm helps them to obtain millions in funding and improve their organizations.



Continued from page one

first identify what we considered a “grant.” We defined grant as any funding source that must be applied for competitively, including foundations and government agencies. Therefore, county grant funding was included. We did not include fee for services, noncompetitive contract for services or funds from individuals.

On average, each nonprofit applied for almost 14 grants in 2002. However, three groups indicated they applied for more than 40 grants each. When we removed these three groups from this calculation (and the calculations below) by year end most organizations completed about 8 submittals.

Overall, how does this impact budgets?

Reporting group’s annual budgets ranged from \$30,000 to over \$20 million, with an average size of just over \$2 million. Of the 8 grants applied for on average, we learned on mean of 6.75 of these applications received funding. Therefore, grant seekers received funding for about 83 percent of their efforts. The funds received totaled over \$9 million or an average \$223,878 per organization. Successful grant-getting organizations received a low of \$2,000 to a

Updates:

Local Sources, More Local Sources 2002-2003 Editions



Local Sources is an easy-to-use, in-depth grant reference for Charlotte, Manatee and Sarasota Counties, Florida. It lists deadlines, contacts, application requirements, board members and amounts funded for more than 100 grant sources. The companion edition, *More Local Sources*, contains a list of 150 funders who do not meet the size or other criteria to be in *Local Sources*, but are of interest to many development offices.

Here are several updates since the last *Added Value* newsletter:
Local Sources:

p. 118 **The Venice Foundation.** This fall will become the Gulf Coast Community Foundation.

More Local Sources change:

p. 10 **Charles L. Wackerle Foundation, Inc.**

new address: 2055 Wood Street, Suite 120 Sarasota, FL 34237.

high of over \$3 million dollars in grant funds.

To provide a picture of a full year of grant activity, we also considered pending grants. At year end, on average organizations waited for word on 1.2 grants. These grants had an approximate value of \$33,398 per organization. If we assume a similar success rates for

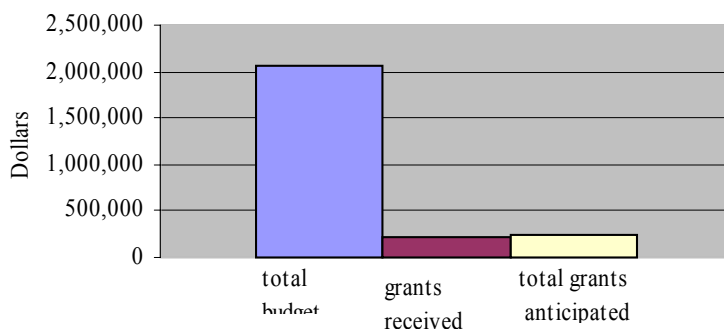
the “penders,” and an average \$2 million annual budget, than the average group will receive about \$251,819 from grants. Therefore, if you were “an average organization” in 2002 you received about 12.6 percent of your budget from this funding source.

Although, larger organization generally received more grant funds, this was not true for all of them. Non-profit tradition suggests that organizations do not receive grant funds in excess of their current budget. However, three organizations reported this experience.

Conclusion

Thank you for participating in the survey. If you were unable to provide information, we hope to include your organization next time, so we can learn together.

Average Organization and Grants



Some Thoughts on the Survey Results

"Statistics-the only science that enables different experts using the same figures to draw different conclusions."

Evan Esar

What does the information from the grant survey mean? How can we use this information in our organization? Some suggestions follow:

1. Although it is probably not getting easier, for most organizations, getting grants was only incrementally more difficult in 2002. This is consistent with information from various sources that grant seeking is getting tougher. Our numbers support this national trend. In the future we can expect: 1) greater sophistication, especially about the results of our grant expenditures and 2) more competition.

2. According to Giving USA, in most recent recessions giving dropped by 1 to 5 percent when adjusted for inflation. The economy appears to impact grant size. Given a good cause and case, it is not impossible to get grant funds any

more than it is "easy" even in economic downtimes.

3. The local area experiences a strong success rate in its grant seeking. For your organization, we recommend a grant-writing-to-getting goal of at least 50 percent. A ratio of 70-90 percent success can be positively challenging depending on your size, experience and risk aversion. Some "new" seeks each year offer the opportunity for 1) additional support for your agency 2) to make new friends and 3) a chance to learn something about your agency from outsiders, **if** you seek feedback from all submittals.

New grants sources can represent the next level of maturity for your organization or even the chance for regional or national recognition.

4. Just as with any other fund raising efforts, seek to know and create a positive relationship with grant funders. Some questions to consider:

- What is important to this grant provider?
- What do you offer or can you offer that helps to solve their needs?
- What would be a successful relationship for both of you?

5. Finally, even in southwest Florida, an area that offers significant grant opportunities, very few organizations do all of their work with grants. Grants can provide significant support, especially for new program development, equipment and capital needs. But you will need to augment this resource with others to complete your activities and provide stability for your organization.

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Planning and grants for nonprofit organizations since 1994

What is *Added Value*?

Added Value, this newsletter, is about helping you have what you need so you can add value to your organization. In this newsletter we bring you thoughts and information to help your organization's planning, preplanning and grant seeking.

Marshall Loeb (a frequent writer about business investment) writes about Added Value Journalists. A journalist can write a story from a few sources that day. Or an *Added Value* Journalist can decide to talk to 40-50 people about what is going on and writes the story after gaining this information. If necessary the writer may even revise the story line. This is the kind of added value we provide in our pre-planning project for new activities. We gather the wisdom and insight of others, combine this with what's going on locally and identify resources for your project. Obviously, in a newsletter we can't provide that level of in-depth information, but we bring you tidbits like ---

- A new thought to help you look at something differently or
- A new organization whom you'll want to contact for information or
- An insight to share with your board or staff or
- Perhaps a question or a book to explore.

Added Value reflects our goal that what we do together adds value to your organization, your career and the future of the community. It's a tall order, but one upon which we've already embarked.

***You are not here
merely to make
a living. You are
here to enable
the world to live
more amply,
with greater
vision, and with
a finer spirit of
hope and
achievement.
You are here to
enrich the world.
You impoverish
yourself if you
forget this
errand.***

***Woodrow
Wilson***