The Golden Guide to Foundation-land

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March 19, 2014
Foundation Grants in Context
# Foundation vs. Government

<table>
<thead>
<tr>
<th>Grantmaker</th>
<th>U.S. Gov’t.</th>
<th>U.S. Foundations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Source: <a href="http://www.usaspending.gov">www.usaspending.gov</a>*</td>
<td>Source: Giving USA*</td>
</tr>
<tr>
<td>Total Grants</td>
<td>$244B</td>
<td>$47B</td>
</tr>
<tr>
<td>Science &amp; Technology</td>
<td>$54B</td>
<td>$537M (2%)</td>
</tr>
<tr>
<td>Education</td>
<td>$24B</td>
<td>$5B (21%)</td>
</tr>
</tbody>
</table>

*Values for illustration only

Methods and definitions of two sources may differ

FOR ILLUSTRATION ONLY
2012 Private Philanthropy

- $ 72% Individuals
- $ 15% *Foundations* [Total $47.2 B]
- $ 7% Bequests
- $ 6% Corporations

**Total: $316 B**

Source: *Giving USA 2013*, Indiana University Lilly Family School of Philanthropy
Where foundation grants were awarded

- Arts & Culture $2.3 B (9%)
- **Education** $5 B (21%)
- Environment & Animals $1.4B (6%)
- Health $7B (13%)
- Human Services $3.7 B (15%)
- Int’l Affairs; Development; Peace; Other; Social Science $2B (6%)
- Religion $441 M (2%)
- **Science and Technology** $537M (2%)

Source: Foundation Center, 2013
Major changes in Foundations
1990 - 2010

Over 50% of larger foundations were founded after 1989

1990 – 2010:

- No. grantmaking foundations increased from 32,000 to >76,000
- Assets increased from $142B to $644 B
- Giving >quintupled from $8.7 B to $46B

Source: The Foundation Center, 2013
Recent Changes in Foundations
2012 - 2013

- Total giving up 3.5%
- Individual giving up 3.9%
- Foundation grants up 4.4%
- Corporate giving up 12.2%

Source: Giving USA 2012, UIPUI
Foundation Research
Resources

- University offices of Research Development, Sponsored Research, or Foundation Relations – university staff
- NORDP members – university staff and contractors
- Foundation Center Library
- www.foundationcenter.org
- www.foundationsearch.com
- www.GuideStar.org (for 990-PF’s)
Don’t call us...

- Total foundations which award grants to engineering – N= 456
- Foundations which do not accept applications – N = 194 (43%)
- Special strategies needed (e.g. MacArthur)
Search Strategies

- Strategy 1: Grantmakers (by annual grant totals)
- Strategy 2: Grant Recipients (by amount of grant)
- Strategy 3: Grant Recipients (by geography)
- Strategy 4: Donors to Community Foundation (individuals who are interested in your research area; individuals whom you know)
990-PF: IRS Return

- Part I – Name; address; assets; grants paid
- Part VIII – Officers, Directors, Trustees, Highly Paid Employees and Contractors
- Part IXA – Summary of charitable activities
- Part XV – Grants paid
- Part XV, 2b – Application information
Beyond the 990-PF

- Newly established foundations (2 years);
- Experience with your institution;
- New funding directions;
- Current competition - internal and external;
- Real guidelines.
Foundation Priorities

Driven by:
- Founder’s personal experience;
- Family members’ interests;
- Directors’ interests;
- Staff leadership - interests – beliefs hunches – experience – evidence
Solicitation Issues
Prioritizing Your Efforts

- Large, staffed foundations best;
- Develop relationship with program officer as trusted expert in the field;
- Recognize large funders often collaborate;
- Request introductions to funders’ networks.
Dealing with Large Foundations

- Most staff are conscientious generalists or specialists in broad discipline;
- Staff have good jobs – reliable paychecks, long-lasting, predictable, great perks;
- Most foundations have no metrics, or at best, rudimentary;
- No accountability beyond IRS regulations.
Minimally- or Un-staffed Foundations: A Waste of Time?

- Number total foundations: 88,000
- Number (%) staff of 0 – 2: 60,000 (68%)
- Result - ~Half of all foundation $$$ distributed through small or un-staffed foundations.
- Volunteer foundation directors include:
  - Family members or friends
  - Community leaders
  - Lawyers
  - Trust officers
  - Wealth managers

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How to communicate with volunteer trustees

★ You are trying to reach people who are:
  – Busy,
  – Personal favor;
  – Civic responsibility;
  – Family dynamics; or
  – Enjoying the “Good Life.”
All communications with foundation staff...

- No interest in what’s interesting to you
- No institutional needs
- No individual needs
- Community (municipal to global) needs
- Funder opportunities
“If I am not for myself, who will be for me?
“If I am for myself alone, then what am I?
“If not now, when?”
-- Hillel, 30 BC – 10 CE
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