

Money: Where Is It?

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ABSTRACT

Significant library funding is available from government and private sources. We will review how to assess funding requirements, develop a funding plan, and locate government programs and private donors with dollars available to support your programs. The proposal process will be defined, with specific examples of how unique, competitive and professional proposals can be developed. A bibliography of funding sources and assistance is included.

INTRODUCTION

Where do science libraries find funds to provide new programs for their users and to support on-going programs?

Libraries are not exempt from the effects of institutional budget cuts. As we know, decreasing federal support for many higher level science education and training programs, combined with changes in tax regulations, are decreasing program support at many educational institutions.

Philanthropy in America

The good news is that Americans are still giving. In 1988, over \$104 billion was given to philanthropic causes. Adjusted for inflation, this is an increase of 1.82% from 1987. Of this amount, individuals gave 83%, or over \$86 billion. Corporate contributions were 4.6% of the total given, or \$4.8 billion, foundations \$6 billion, or 5.9%, and bequests \$6.8 billion, or 6.5% of the total given.

Giving breaks down into several major categories: religion, education, health, human services, arts, public benefit, and other uses. The overwhelming recipient of American philanthropy was religion, receiving 46.2% of all contributions, or \$48 billion. Education, the category in which science libraries fall, received 9.4% of the philanthropic pie, or almost \$10 billion.

Science libraries fall into the education category and into the subcategory of science, which receives less funding than the more well-supported disciplines of the arts and humanities. This reflects our national lack of interest in science.

Funding for Science Libraries

So where can science libraries find funding for their programs and how can we go about obtaining it? Science libraries are eligible for funds from the government, many foundations and corporations, and from individuals.

The most important government programs for science library support are the National Science Foundation/National Institute of Health, the Department of Health, Education and Welfare, and the National Endowment for the Humanities, but this is not our focus at the moment.

Foundations and corporations are excellent sources of funding for libraries in general, and for science libraries affiliated with educational institutions. The key to winning their support is in submitting a clear, concise, coherent proposal that demonstrates **how your goals and the funding source's goals are similar**. It is impossible to overstate the roles good research and good writing play in obtaining funds. Corporate donations should be considered as a funding mechanism. Does your library have any corporate users? Companies with interests in pharmaceuticals, biotechnology, agriculture, and others may have research and commercial applications in areas that your institution's research programs support through basic or applied research. These types of companies, if they have corporate philanthropy programs - and most large companies do - are good prospects. They may even be current users of your library's resources through inter-library loan.

Individuals contributed 83% of all philanthropic dollars in 1988, and this statistic has remained static over the decades; in some years, like 1988, the only increase in giving was in this category. However, obtaining major gifts from individuals is a job that is usually done by peers of the donors - members of your board of trustees and your institution's president, supported by high-level development professionals. It is important that the needs of the institution's library be recognized and enthusiastically endorsed by these individuals so they can steer major gifts in your direction. Most major donors prefer to give restricted gifts, gifts that will go for a specific purpose. Libraries are inherently attractive to major donors interested in supporting an educational institution. Your success in getting funds from these individuals will come from having a board member or your president present your library as a worthy candidate for a major gift. Your most valuable asset will be good public relations among the library, its users and your administration.

How to Get Those Dollars

Your first resource may be your institutional development office. At many institutions, the development office is responsible for assisting departments to obtain funding. At other institutions, fund-raising is a departmental responsibility. If you are fortunate enough to have a professional development office to assist you, your search for funds can be escalated by the research and proposal writing capabilities of that office. If you can take advantage of your institution's development office, do so. Visit the director of development with an outline of your needs and volunteer to assist in drafting the proposal and providing appropriate background information. Find out what the development office can do for you - and what you need to do for yourself. Unfortunately, at many institutions, insufficient development staff may prohibit using this resource. In this case, you must become the fund-raiser.

The first step is to **analyze** your needs. In your needs assessment, you must document the needs to be met or problems to be solved by the proposed funding. Work with colleagues in your institution to insure that there is broad and enthusiastic support for your proposed program. Once your needs assessment is complete and your proposed program development is well underway, it's time to start the research process. Who will you send your proposal to?

Foundations and corporations that give to educational institutions and have special interests in libraries can be located by using standard foundation and corporation philanthropic sources, many of which are published by the Taft Group, the Public Management Institute and the Foundation Center. The Foundation Center, located in New York City with regional satellite centers, is an invaluable source of philanthropic information for fund-raising, especially if you do not have access to the resources of a development office. The Foundation Center provides reference services, copy services for foundation annual reports, grants lists, guidelines, news releases and custom computer searches. If you plan to do successful fund-raising for your library, access to the Foundation Center's resources is imperative. File 26 on Dialog contains the current *Foundation Directory*, if you have access to this service.

The Proposal

Crucial to writing a winning proposal is a careful analysis of the donor organization's annual report and giving guidelines. Some organizations require that a specific form or format be followed. Follow the guidelines explicitly. Some foundations wish to receive preliminary phone calls; some do not. The guidelines will provide you with the correct order and format for your approach.

Once the program interests and guidelines prove the foundation or corporation is a likely target, you should develop your proposal. Although there is no such thing as a standard proposal format, there are several points that are included in successful proposals.

The **summary** should clearly and concisely summarize the request. Your proposal may only have 30 seconds in the reviewer's hands so the summary should briefly state what you want.

The **introduction** describes your institution briefly and provides a condensed summary of the major accomplishments of your library and the proposed project, its objectives, procedures and evaluation.

The **problem statement** (the needs assessment) documents the needs and problems to be solved by the proposed funding. The problem should be described in simple terms, using appropriate documented statistics where needed.

The **objective** establishes the benefits of the funding, or the logical outcome of the project — in measurable goals and in a specified amount of time.

The **methods** section explains the actions required to implement the project. Materials that may be required and their roles in achieving the stated objectives may be added at this point if appropriate.

The **evaluation** section presents the plan for determining how the objectives are to be met and how program results will be measured in a quantifiable manner. The evaluation procedure should be structured so that it will demonstrate to the funder that the desired objectives have been met within the stated costs.

The final section of the proposal is the **future of the project** plan. This must describe the plan for the continuation of the program, if applicable, and the probable long-term impact of the project. If supplementary funding is required to achieve the objectives, this is the place to be specific about how much is needed and where you plan to get it. This is especially true for planning grants. Make sure you let the funders know that you may be giving them another "opportunity" to give again!

The **budget** and budget justification are usually appended to the proposal. It should clearly delineate the costs to be met by the funding source the proposal is being submitted to, and what components will be funded by your institution or other parties.

In addition, donors like to see your institution's annual report, the library's annual report — if available — and a statement from the IRS regarding your tax exempt status. They may require your institutional IRS Form 990 and other supporting data. Keep the appendices down to a minimum.

What Makes a Proposal Competitive?

Foundations and corporate philanthropy departments receive thousands of proposals each year. Many of the proposals do not fit into their giving interest or meet their guidelines. Many of the proposals are missing critical elements and are poorly written. The majority of submitted proposals are not considered for funding because of these reasons. Of the remaining proposals found acceptable and deemed worthy of support, at best, one out of five might be considered for funding.

A winning proposal will be brief, cogent, clear and cohesive — and will make the foundation believe that its goals will be met by helping you meet yours. Every proposal should be edited numerous times over a period of several weeks. Ask others who have the ability to analyze and write clearly to read the proposal critically and to suggest improvements.

Our proposals, to foundations and individual donors, for under \$250,000 generally do not exceed two pages, and we strive to keep larger proposals at four pages, exclusive of appendices and budget information. We weigh every word, every sentence and every paragraph in our proposals to insure that the tightest proposal is written.

If you follow an outline, make sure you proceed through all the steps of research and, most importantly, edit and re-edit your proposals until they clearly show how the project will meet the donor's goals; then you will be successful.

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APPENDIX
GRANT WRITING PROCEDURES

STEP 1

Gain institutional backing by submitting a letter to your president/director identifying the foundation, individual, government agency, etc. you have targeted as a likely donor and the reason for choosing that funding source using the following guidelines.

Proposal Outline Guidelines

Summary statement (not to exceed 2 paragraphs)

Purpose of project
Specific amount requested
Plan of action
Anticipated results

Problem statement

Project/problem (specifically)
Population to be served
Documentation of problem (statistics if applicable)
Historic antecedents for proposed endeavor

Goals and objectives

Goals - ultimate achievements of the project
Objectives - anticipated results of the project. Should demonstrate a clear solution or reduction of the problem and should be time-limited and measurable.

Implementation methods and schedule

Describe specific plan of action for achieving goals and objectives
Why has this approach been selected?
Who will implement the plan? Qualifications? (add to appendix)
Timetable for project

Evaluation criteria and procedures**Budget**

Direct and indirect costs
Other funding sources (donations, loaned equipment, volunteers)
Dollar value of contributions (list of current or recent sponsors)
Future funding plans (including how related expenditures for maintenance) will be handled, if applicable)

This letter should not exceed two pages. **ONE** is ideal!

STEP 2

Proposal Writing Outline**Your proposal should tell the funder:**

Who you are
What you want
How you are going to do it
What it will cost

The proposal package should contain the following:

Cover letter: Address cover letter to the correct person. State who you are and include a brief statement (3-5 sentences) about the proposed project. Give the name and telephone number of the person to contact for further information.

Abstract or Summary: Goes at the beginning of the proposal. It should be a brief, clear summation of the proposal. (This part of the proposal should be written last.)

Introduction: Establishes the organization's credibility. Includes background, most significant accomplishments, current activities.

(Problem) Statement of Need: Why is what you are proposing necessary? What population/constituency will it serve? State how this project/proposal will fit into the guidelines of the funder. Document the need with statistics (with full bibliographic citations.)

Objectives: What is the goal of the project? What will it accomplish? Clearly show the anticipated results (solution or reduction of a problem). Be realistic and make objectives measurable if at all possible.

Methodology: Activities and tasks to be carried out to accomplish objectives. What personnel are required for this activity? Background information should be attached. Plan of action should include a timetable and milestones.

Evaluation: What methods will be used to analyze the results and how these will be applied to refine the program and/or better serve the constituents?

Funding: Current funds and projected funding.

Budget: Translates methods into dollars. Should be adequate and clear. Include both your direct and indirect costs, as well as budget justification by category.

Appendix: IRS tax-exempt letter, endorsement names, names of board of trustees, past support from other funders, latest audited annual budget, relevant credibility data (publicity items).