

Exploring the National Philanthropic Infrastructure: Opportunities for Grantseekers

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GPCI Competency 01: Knowledge of how to research, identify, and match funding resources to meet specific needs

GPCI Competency 08: Knowledge of methods and strategies that cultivate and maintain relationships between fund-seeking and recipient organizations and funders

Abstract

An active philanthropic infrastructure has evolved over the past 25 years around the flow of funds from grantmaker to grantseeker that merits deeper attention from grant professionals. That infrastructure provides valuable information about donor motivation and interests of organized private philanthropy that enhances the fund developer's work. These information sources provide insights into the trends and factors that influence funders' goals and objectives as they focus on social change and enhancing quality of life. The sources also inform grant professionals about the terminology and practices that funders utilize to describe their work in a particular field. By broadening their attention to additional dimensions of the philanthropic infrastructure, professional grantseekers increase their opportunities to identify funding resources, create new relationships with funders interested in their practice areas, and better position their organizations as effective partners. This article explores some of the philanthropic resources that engage funders, including regional associations of grantmakers, national affinity groups, and coalitions, and identifies strategies for grant professionals to develop knowledge and relationships to increase their interactions with organized philanthropy.

Introduction

An active philanthropic infrastructure developed since the passing of the Tax Reform Act of 1969 around the flow of funds from grantmaker to grantseeker that merits deeper attention from grant professionals. The dramatic growth in US philanthropy—an increase of \$247 billion over the past 25 years (US Census Bureau, 2012; Giving USA, 2014)—fostered a portfolio of resources dedicated to the development and service of private, organized philanthropy. This infrastructure provides useful information about the charitable interests of individuals, private foundations, and public charity grantmakers that can enhance fund development work. Broader knowledge of the funding culture positions an organization and its staff to build closer relationships with those that practice private, organized philanthropy.

Many grant professionals utilize some segments of the philanthropic infrastructure to research grant opportunities and statistics on giving. A large network of philanthropic support organizations and academic centers of philanthropy provides useful information, helping grantseekers in the search to fund the work of their organization or clients. Databases such as The Foundation Center's Foundation Directory Online, the National Center for Charitable Statistics at the Urban Institute, and academic centers of philanthropy (e.g., the Lilly Family School of Philanthropy at Indiana University) are well-known.

However, there are other valuable sources of information about grantmaker motivation and interest. These sources can provide insights into the factors that influence funders' goals and objectives as they focus on creating social change and enhancing quality of life. They introduce the terminology that funders use to define their funding interests and frequently describe collaborative goals for funding in a given field. This knowledge can help the grant professional align the work of their organization or clients with that of current and potential funders and can be well worth the research time and effort.

Although visits to individual funder websites are a standard step in grant seeking and management, understanding the *collective* actions of funders in a given field increases the grant professional's effectiveness. The way funders address social problems in a particular field may differ from that of a service provider. Each field has its own vocabulary used to define its work. Often, a funder's website will use buzzwords or reference specific research from regional or national sources. A visit to those sources allows grantseekers to further understand a funder's interest in a field and to enhance their knowledge about that field.

A federal grants program will usually provide specific information about the research that fostered a program (e.g., a White House report on STEM has created grant programs at the National Science Foundation focused on teaching and learning). Private philanthropists are often less open about identifying the origins of their goals and strategies

than government agencies. The grant professional can ask what sources influenced a funder to pursue a particular funding path or to develop a particular interest. By identifying and exploring the references on a funder’s website, in an annual report, or in conversations with staff, the grant professional can better communicate with a common language and definitions that resonate with funders.

The Philanthropic Infrastructure

The philanthropic infrastructure, shown in Figure 1, consists of regional associations of grantmakers, national funder affinity groups, and national coalitions that bring funders together to focus on constituencies, issues, or geographies. The infrastructure also includes consultants/advisors and academic centers of practice that scrutinize the field of philanthropy, offering analysis and recommendations to funders.

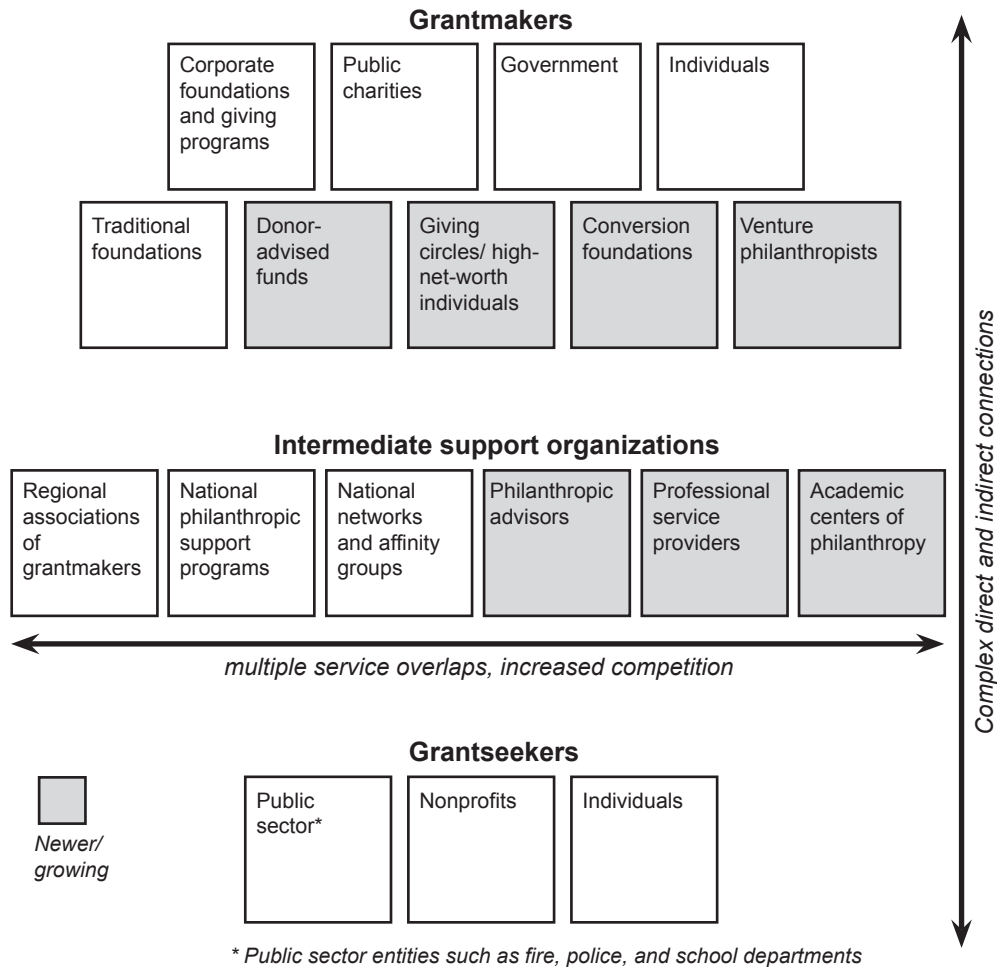


Figure 1. Philanthropic Infrastructure (adapted from Kinsey Consulting)

These groups evolved to enable funders to unite, share knowledge, and take action. They provide unique opportunities to develop a deeper understanding of the goals of funders. A more detailed discussion of the roles of these groups follows.

Regional Associations of Grantmakers

There are 34 regional associations of grantmakers (RAs) in the United States and they represent 5,532 participating organizations—the largest philanthropic network in the world (Forum of Regional Associations of Grantmakers, 2015). Participants include:

- Private foundations,
- Public charity grantmakers (e.g., community foundations and population-focused funds),
- Corporate foundations and giving programs,
- Federated fund organizations (e.g., United Way),
- Donor-advised funds,
- Individual and family philanthropists, and
- Philanthropic advisors to high-net-worth individuals and private foundations.

Regional associations have a commitment to strengthen and expand the field of philanthropy. In general, they promote effective philanthropy, raise awareness of the work of philanthropy, and promote ethical standards among grantmakers. They focus on improving management and governance, ensuring accountability and ethical behavior, and bringing funders together around common issues. Members of RAs represent the most active, involved grantmakers in a given region. Although the number of RA members may seem small in relation to the 86,000 foundations in the US (Foundation Center, 2014), these members provide from 60 to 90 percent of the grantmaking in a given region.

Forty percent of RAs were formed in the past 25 years in concert with the tremendous growth of philanthropic giving in the US (<https://www.givingforum.org/network-at-a-glance>). Geographic focuses of RAs include metropolitan, partial-state, state, or multi-state areas. While each RA serves funders located in a particular geographical area, those funders may distribute funding around the world.

These regional associations, in turn, are served by the Forum of Regional Associations of Grantmakers, a national organization. Once a supporting organization of the Council on Foundations and now an independent 501(c)(3), the Forum leads and coordinates RA activities

around public policy, accountability, and knowledge management— setting standards and sharing resources across their member network of RAs (www.givingforum.org).

Although there are many less formal networks of funders, these 34 RAs adhere to particular standards in how they operate and the services they provide to funders. Most regional associations of grantmakers offer a suite of member services that include:

- Networking, education, and skill-building for grantmakers,
- Addressing issues of policy,
- Providing guiding principles for ethical and responsive practice,
- Creation and support of issue/affinity groups and funder collaboratives,
- Products and services to streamline the grantmaker/grantseeker relationship, and
- Members-only listservs, publications, and websites.

Regional Associations' Added Value to Grantseekers

Because of their interest in the whole field of philanthropy, most RAs offer some services and/or products of interest to other philanthropic practitioners such as grantseekers, grant managers, and financial advisors. Grant professionals can access many of these services by visiting the website of the RA in their region to determine what is available. A complete list of RAs in the US is available through the national Forum (<https://www.givingforum.org/network-at-a-glance>).

Typical services of particular interest to grantseekers include (with some examples):

- *Regional giving studies defining the sources and amounts of giving in a region.* These allow grantseekers to understand the opportunity for funding in particular topic areas and the balance between institutional funding and individual donations (Minnesota Council on Foundations <http://www.mcf.org/research>; Philanthropy Network Greater Philadelphia <http://www.philanthropynetwork.org/?page=PNresearch>).
- *Common grant application/report forms.* These forms allow submission of a single proposal to multiple funders (Maine Philanthropy Center <https://www.mainephilanthropy.org/node/53>; Council of New Jersey Grantmakers https://cnjg.org/sites/default/files/resources/NY%20and%20NJ%20Area%20Common%20Application%20Form_0.pdf).

- *Publications with regional grantmaking news.* Connecticut Council for Philanthropy <https://www.ctphilanthropy.org/resources-grantseekers-and-nonprofits>; Philanthropy New York PhilanthroPost <https://philanthropynewyork.org/>).
- *Periodic grantmaker/grantseeker meetings or conferences.* These give nonprofit staff the opportunity to interact with funders and enhance their joint understanding of community issues (Florida Philanthropic Network <http://www.fpnetwork.org/>).
- *Collaborative funding projects that sometimes include service providers.* These projects present the opportunity to work closely with particular funders to solve social problems (Iowa Council of Foundations <http://www.iowacounciloffoundations.org/initiatives.aspx> ; Colorado Association of Funders <http://coloradofunders.org/programs-and-events/caf-peer-networks>).
- *Information about emerging philanthropic trends and vehicles (e.g., giving circles) to incorporate in fund seeking strategies.* (Donors Forum of Wisconsin <http://wiphilanthropy.org/learn/wisconsin-gives/>).
- *Job banks for individuals looking for new professional opportunities.* (Philanthropy New York <https://philanthropynewyork.org/news-type/job-posting>).
- *Policy/advocacy activities.* These include meeting with elected officials and regulators to tell stories that affect the field (Indiana Philanthropy Alliance <https://www.inphilanthropy.org/advocacy/state>).

In addition, several regional associations offer special memberships to nonprofit service providers (Associated Grant Makers <http://www.agmconnect.org/>; Donors Forum <https://donorsforum.org/>). These sometimes include access to training, libraries for research, and other useful tools. Other RAs are co-located with their state's nonprofit association and/or provide frequent programming on grant development and other common topics (Maine Philanthropy Center <https://www.mainephilanthropy.org/node/53>; Philanthropy West Virginia <http://www.wvgrantmakers.org/>).

Many RAs are active on social media. Connecting with a regional association through social media gives access to an overview of funder interests in the region. Follow RAs on Facebook, Twitter, blog posts, or other currently popular media.

RA-hosted local/regional funder interest groups have the capacity to identify potential funding partners and enable an understanding of social concerns from the funder's viewpoint. Conversely, funders interested in specific topic areas frequently engage with other

funders through regional interest or affinity groups. Often, regional associations post public information about their affinity groups and their members on their websites (e.g., Arizona Grantmakers Forum <http://arizonagrantmakersforum.org/affinity-groups/>).

RAs support important regulatory improvements that benefit both grantmaker and grantseeker, such as a permanent IRA Charitable Rollover, or the defense of the charitable deduction (Charitable Giving Coalition, <http://protectgiving.org/>). Tracking an RA's level of policy involvement can provide another connection point for nonprofit service providers.

In recent years, RAs have come together with national nonprofit associations around common issues. For instance, they supported the need for responsible overhead funding (Peeler, 2015). Recent articles (GuideStar et al., n.d.; Donors Forum, 2013a) show that funders share the concern that: a) nonprofits suffer because of arbitrary limits on overhead funding, and b) there is a false conception that financial ratios are the true measure of a nonprofit's effectiveness. The common concern around overhead or other issues is another potential point of connection for nonprofit service providers.

The foregoing examples give a taste of the potential information available from RA websites to identify opportunities to interact more closely with RA members. While RAs are primarily member organizations, many realize the value for funders of encouraging closer interaction with nonprofit service providers around community issues.

National Funder Affinity Groups

Funder affinity groups evolved since the 1980s in recognition of the fact that pooling resources increases impact. These groups bring funders together for knowledge sharing, collaborative learning, and action. The national affinity group infrastructure is extensive and growing. There are dozens of organizations that focus on a broad range of funder interests. Generally, the types of groups that interest or attract funders include:

- *Issue groups.* Organized around specific topics or causes. Examples include: Neighborhood Funders Group, Literacy Funders Network, Grantmakers for Education, Grantmakers in Health, Grantmakers in Aging, Grantmakers Concerned with Immigrants and Refugees, and Grantmakers for Children, Youth and Families.
- *Identity-based groups.* Organized around a targeted constituency or community, usually perceived as underserved. These are often groups that represent population-focused funds. Examples include: Funders for LGBTQ Issues, Native Americans in Philanthropy, Hispanics in Philanthropy, Jewish Funders Network, and Women's Funding Network.

- *Professional development for foundation staff and trustees.* These are organized around the practice of grantmaking. Examples include: Grants Managers Network, Emerging Practitioners in Philanthropy, Foundation Financial Officers Group, PRI Makers Network, Communications Network, and Grantmakers for Effective Organizations.

Philanthropic Support Organizations (<http://www.cof.org/content/philanthropic-support-network>), a list of affinity groups developed by The Council on Foundations, while by no means complete, provides links for many of these funder groups. A visit to an affinity group website offers helpful information about the group and the funders that support it. National Affinity Groups routinely publish national data useful to compare and contrast local or regional information for impact.

By demonstrating a comprehensive knowledge of a practice area and its national issues, the grant professional relates their nonprofit's work at the local level to national concerns. Understanding the broader context that engages a funder helps the grantseeker create a more effective proposal for funding.

Case Example

A freelance grant consultant researching sources of funding for a regional AIDS health center visited the Funders Concerned About AIDS website (<http://fcaaid.org/>). The website included a report on AIDS funding and funders, techniques for resource tracking, and a global AIDS funding map. The consultant checked the profiles of funders and discovered several new to the client's list of potential funders. After researching each funder, the grant consultant provided the expanded list to the client. This increased the client's opportunities for funding, enhanced the freelancer's reputation for thorough work, and increased the freelancer's field knowledge of work in AIDS research.

National Collaborations

There are numerous national collaborations of funders and funder support groups, often including academic centers, which focus on a particular issue. Tapping these collaboration websites is useful to understand the approach that funders take to address social problems, policy issues, and the grantmaker/grantseeker relationship. Many of these coalitions include nonprofits as participants. The coalitions provide a unique opportunity to interact with funders on a national level around common issues. Several general practice examples include:

- *Project Streamline.* A coalition started by national nonprofit and funder organizations to focus on helping grantmakers get the

information they need, while reducing the burden of application and reporting practices on nonprofit grantseekers (<http://www.gmnetwork.org/projectstreamline/>).

- *Charitable Giving Coalition*. A coalition designed to promote policy activity in protection of the charitable traditions that sustain the nonprofit sector in the United States. Members include national funder, advocacy and nonprofit groups. (<http://protectgiving.org/>).
- *Reimagining Service*. A source of information about the value of volunteerism that is useful to compare an organization's utilization of volunteers with national statistics and practice. Created by a coalition of funders and maintained by the Points of Light Foundation (<http://www.reimaginingservice.org/>).

Other examples exist in most topical fields: for example, education (Campaign for Grade-Level Reading, STEM Education Coalition, et al.); environmental policy (Sustainable Energy and Environment Coalition, et al.); and housing (National Rural Housing Coalition, Green Affordable Housing Coalition, et al.).

Case Example

Through membership in a national housing coalition, a private foundation came to know a number of nonprofits in its region concerned with homelessness and housing issues. The funder subsequently mounted a region-wide research project on homelessness and funded several projects with nonprofits in communities where they had not funded in the past. The funder became an active partner in the work of these nonprofits with homeless families. The nonprofits' association with the national coalition was the gateway to these new relationships.

Consultants/Advisors and Academic Centers of Practice

There are many individuals and organizations that develop new practice methodologies and offer commentary and criticism of philanthropy, all aimed at improving impact and effectiveness. Tracking some of these sources also adds to the grantseeker's arsenal of knowledge about the field.

Exploring the work of consultants and advisors in organized private philanthropy increases a grantseeker's knowledge about the methods and measurements recommended to funders to plan their strategies and assess their work. Today, many funders ask what impact their community investment has and how they should measure it. It is of great value to the grant professional to understand how funders define their success and how that may differ from the nonprofit provider's definition of impact measurement (see case example below).

An appreciation of the broader context and understanding of funders' approaches to strategic planning and evaluation helps align nonprofit requests for support. By understanding how consultants define effective nonprofits and their impact, the grantseeker can compare and contrast the methods used by their nonprofits to achieve results. The process of strategic planning, the field of evaluation, and the roles of the funder and service provider cannot be fully explored in this article, but are worth some scrutiny by the grant professional.

Academic centers of practice frequently provide information about philanthropic trends beyond giving that increase understanding of the underlying motivations behind funder behavior. They host education and publications that illuminate the field.

Many RAs and national groups work closely with consultants, advisors, and academic centers of practice to help funders achieve their philanthropic aspirations. The exploration of these infrastructure groups yields consultant references worth visiting. Examples include:

Consultants/Advisors

- Alliance for Justice
- Center for Effective Philanthropy
- Council on Foundations
- FSG–Social Impact Consultants
- Independent Sector
- National Committee for Responsive Philanthropy
- The Philanthropic Initiative

Academic Centers of Practice

- Boston College Center for Corporate Citizenship
- The Johnson Center at Grand Valley State University
- Lilly Family School of Philanthropy, Indiana University
- *Stanford Social Innovation Review* (Stanford University publication)

Case Example

A grant professional at a small, local arts organization visited the website of the National Center for Responsive Philanthropy and read its report, *Fusing Arts, Culture and Social Change* (Sidford, 2011). The article discusses equity in arts funding and the impact arts funding equity has on social change. It highlights the tendency of arts funders to fund large projects or institutions and neglect small, grassroots arts organizations, and it contains significant statistical information about the impact of small organizations. Using the information in this report, the grant professional was able to compare and contrast the social value of a small, local arts program to that of the larger institutions in the community. The grant application was funded.

Conclusion

There is a growing philanthropic infrastructure that offers broader insights into the goals and practices of funders and those that influence them. Whether the grant professional starts with information gleaned from an individual funder or from a general search on the Internet, an exploration of this infrastructure expands the knowledge base and tools that grant professionals use to develop and manage funds for nonprofit work.

Regional associations, funder affinity groups, national coalitions, and consultants can have a profound influence on a funder's strategic goals and practices. Familiarity with these organizations leads to a better understanding of the terminology and methodologies funders use to pursue their philanthropic goals and allows the grant professional to "speak the funders' language." And, by exploring opportunities to engage directly with funders through the Internet, social media, and conferences, common interests between nonprofits and funders increase in strength.

When establishing dialogues with funders, grant professionals achieve an advantage by demonstrating familiarity with funder practice terminology and funder strategies for solutions in their field. This knowledge aligns the work of the nonprofit with the interests of the funder to help them achieve their charitable goals. It is this depth of knowledge that empowers nonprofits to make funders active partners in addressing the social, political, and environmental issues that affect the field of philanthropy today.

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Biographical Information

Liz Wilder is an experienced philanthropic professional. In 2014 she retired after 14 years as executive director of Grantmakers Forum of New York (now the New York Funders Alliance), a regional association of grantmakers supported by funders from around the state. Prior to that, for seven years she was Donor Services Officer of the Greater Worcester Community Foundation in Massachusetts. Before her career in the nonprofit sector, Wilder was a senior marketing manager for Digital Equipment Corporation in Marlboro, MA, initiating Geographic Information Systems (GIS) research projects with universities around the US, creating GIS product marketing for engineering markets, and serving on the NASA Committee for the Commercial Development of Space. Among her volunteer activities, she chaired a local cultural council distributing state grant funds, wrote guidelines for citizen monitoring of mental health residential programs, and taught recorder in an elementary arts magnet school. Wilder holds a BS in Education from Boston University. She currently resides in Rochester, NY. Contact: ecwilder91@gmail.com.