

PRIVATE-SECTOR FUNDING SOURCES

Foundations and corporations contribute a relatively small portion of the grant dollars in this country compared to the public sector. However, they are a major source of funds for nonprofit organizations. In 1989, private contributions provided 27% of the funding for nonprofit organizations, while the government provided nearly 26%; dues, fees and charges 38% and endowments and other receipts 9%.

In 1994 the estimated charitable giving in the United States totaled \$129.8 billion – 87.7% was contributed by individuals, 7.6 % by foundations and 6.1 % by corporations.

Minority-focused community-based organizations have customarily looked towards the public sector for funding and have left the private sector largely untapped. Because public sector dollars have been shrinking over the last few years, community-based organizations need to increase their focus on private-sector funding sources.

The major sources of private-sector funding for nonprofit community-based organizations are:

- **Foundations**
- **Corporations**
- **Individual Donors**
- **Special Events**
- **Earned Income**
- **Religious Institutions**
- **United Way and Alternative Funds**

1. Foundations

In 1992, there were about 35,765 active grant-making foundations in the U.S.. according to the Foundation Center. However, only about 9,600 either had \$1 million or more in assets or gave away at least \$100,000 annually: and only 45, foundations held assets of \$50 million or more, accounting for 66% of total foundation assets and 48% of total giving.

Most of the largest U.S. foundations were established in the late 19th and early 20th centuries; there was also rapid growth, especially in family and corporate foundations, just after World War II. Relatively few new foundations were established in the late 1960s or early 1970s, especially after the passage of the Tax Reform Act of 1969. However, some restrictions have been eased, and the rate of formation has been rapidly increasing. More foundations were formed in the 1980s than any other decade -- about 3,000 foundations were established, compared to about 1,900 in the peak decade of the 1950s. Still, foundations currently account for less than 7% of total giving in the U.S., compared to a high of 9% in 1970.

Most foundations exist to give away money. While foundations have great latitude in their giving, their operations are regulated by the federal government; the Tax Reform Act of 1969 set the current regulatory pattern for foundations. Regulations require certain levels of "payout" (typically 5% of the total market value of investment assets) and enforce strict reporting requirements: for example, all foundations must file a special annual information return, and this must be made available at the foundation's principal office for at least 180 days after filing. Private foundations pay an excise tax on net investment income (2% or in some cases 1%). Some states, including New York, have their own regulations affecting foundations within their borders; in many cases the state regulations preceded the federal ones.

The majority (53 %) of foundation assets are in foundations in New York, New Jersey, Pennsylvania, Illinois, Indiana, Michigan, Ohio, and Wisconsin. However, economic and demographic growth in the Pacific region and Sun Belt has been accompanied by foundation growth in those areas; the so-called Rust Belt states have had a lower rate of growth in foundation assets during the last few years.

Foundations, like corporations, tend to focus their giving in a relatively small number of fields, and to give primarily to institutions which are well known and noncontroversial. More than half of all foundation grants are for educational and welfare issues, primarily through gifts to institutions of higher education and welfare agencies. This parallels corporate preferences for gifts to colleges and universities and United Way campaigns.

Types of Foundations

Independent Foundations are grantmaking entities usually established by a gift from a family or individual. "Family foundations" are sometimes run by family members on a voluntary basis and make grant decisions directly, or they may have an independent Board of Trustees and a paid professional staff. Most independent foundations have a broad charter, although they tend to define priorities and target their actual giving within a few fields. Those which have broad interests are sometimes called "general purpose" foundations, while those with narrow fields of interest are called "special purpose" foundations. A majority -- about 70% -- limit their giving to specific geographical areas. More than four-fifths of foundations listed in the Foundation Directory are independent foundations.

Company-Sponsored Foundations are independent grant-making organizations which usually obtain their funds from a corporation and have close ties to it. Usually, they receive an annual contribution from the corporation. Some have an independent endowment so they can continue to make grants even when corporate profits are down. Most have their own Board of Directors, with membership composed largely of corporate officials. They tend to make grants in areas where the corporation operates, and in fields considered to be related to corporate activities. They often give a larger number of grants which are smaller in amount than grants by independent foundations. Corporate foundations tend to function as the parent corporation in their giving patterns, and much of the information on corporate fundraising applies also to corporate foundations.

Community Foundations are grant-making entities which usually have received contributions from many different donors, and which are sometimes publicly-sponsored. Grants are limited to a particular city, metropolitan area, or region. Management is often provided by trustee banks, and the Board of Trustees is supposed to be broadly representative of the community. Often the name of the community foundation reflects its geographic focus (e.g., Ann Arbor Community Foundation, Cleveland Community Foundation).

Operating Foundations are considered to be private foundations under current tax laws, but their primary purpose is to operate programs, and most make few or no grants to outside groups (e.g., The Kettering Foundation, and the Families U.S.A. Foundation, formerly The Villers Foundation).

2. CORPORATIONS

Corporations accounted for 4.8% (or \$6.0 billion) of the \$124.3 billion given away in 1999. Corporate giving has been declining since the late 1980s because of corporate mergers and acquisitions -- there are now fewer corporations than there used to be -- as well as general economic conditions. Corporate giving peaked at 5.2% of total U.S. giving in 1986.

Although there are more than two million corporations in this country, half of all corporate gifts were made by less than 100 corporations. Fewer than 6% of all corporations gave away a total of more than \$500 per year. Some smaller corporations are rarely asked for gifts, while Fortune 500 companies may receive hundreds of requests each month. Under the current tax laws, corporations are permitted to give away up to 10% of their pre-tax earnings; they actually give away between 1% and 2 % on the average. Thus corporate giving remains a relatively small part of total philanthropy.

Corporations can give money directly or through corporate-sponsored foundation. Corporate foundations are covered by the same laws and regulations as other foundations, and thus their giving can be documented. There is no requirement, however, that corporations provide public-information about their direct giving. Available information indicates that most corporate (including corporate foundations) gifts go to two types of beneficiaries: colleges and universities, and the United Way.

While foundations are "in the business" of giving away money, corporations are in the business of making it. Their gifts often tend to be directed where they will benefit the company, directly or indirectly. For example, support of institutional research benefits corporations because the results of the research may eventually help the private sector. A fast-food company may focus its giving on children and youth -- its primary customers. Giving is often targeted so that it will have a positive effect on the corporation's public image. Many corporations believe that they should be "good corporate citizens," helping to improve conditions in the communities where they operate. Frequently, major preference is given to organizations located in communities where the corporation does business or where it has a major facility. Thus, even if a corporation has a product sold nationally (such as cereal or clothing), it may focus its giving in communities where it has a plant or a major distribution center. Some corporations give only in cities or states where they have employees; others place special emphasis on giving in the community where the corporation has its headquarters.

When considering corporate fundraising, don't overlook the local banks and small businesses. They can be an important source of support. Remember that often businesses are willing to provide in-kind help, from furniture to sponsorship of fundraising receptions to loaned executives. This can often be done more easily than a cash contribution and may be just as valuable. When approaching a corporation, bring a "shopping list" of needs other than cash.

Corporate giving is often part of a corporation's public affairs, community affairs, or publicity program. Corporations may have published guidelines identifying specific areas of interest. If a corporation provides scant information on its interests, this may mean it will fund a variety of activities. Large corporations often have two types of giving programs. Relatively small gifts (sometimes up to \$10,000 or more) can often be given by corporate officials at a local facility; sometimes, such decisions are made by a regional office. Larger gifts often must be approved by corporate headquarters. Smaller businesses are more likely to be flexible in guidelines, interest areas, and application procedures, and to take speedy action on your request. The larger corporations generally prepare their contributions budget and select their major recipients early in their fiscal year. They do, however, have the flexibility of making smaller contributions throughout the year from uncommitted funds. The approach to a business or corporation needs to include an understanding of how your organization's programs can meet some of the goals of that company, which may mean providing positive visibility.

Factors to Keep in Minds About Corporate Giving

- *More than for any other source, corporate giving is expressed in many ways besides dollars, such as loaned personnel, donation of furniture or computers printing of materials, or conference or exhibition space.*
- *Many corporations limit their giving to areas in which they have facilities and employees.*
- *Corporations are not grant makers by definition. Unlike foundations, their priority is to make money. Often their giving priorities will reflect their marketing practices.*
- *A major share of corporate giving goes to colleges and universities.*
- *Corporations vary greatly in their contributions policies and procedures. Learning about direct corporate giving is particularly challenging since there are no requirements for public disclosure of grants or gifts made directly by the corporation rather than through a corporate-sponsored foundation. This in part, explains why there is little information about corporations as grant makers.*

One way of getting information about the charitable priorities of a given corporation is from an employee who may be active with your organization. Initial research should include checking with your organization's Board, staff, and members about businesses with which they have contact or with which they are familiar. Ask the local Chamber of Commerce for a list of the largest employers in your area. A phone call to a company can help identify which individual(s) should receive grant requests. Usually, the final decision is made by the contributions committee which is typically made up of senior company officials.

Corporations traditionally have given relatively little money directly to community based organizations, preferring to contribute to United Way campaigns and let them make allocations decisions. This is partly because many corporate executives know little about most community-based groups, and sometimes have stereotypical views about them. For example, corporate executives may view community-based groups as "unbusinesslike" in terms of poor agency and financial management. They may be unaware of their positive community impact, and instead view community groups as "give away" entities or "bleeding hearts." Some corporate representatives are, of course, far better informed.

In an effort to understand corporate knowledge or lack of knowledge about community-based organizations, community group representatives might try asking themselves how much they know about most corporations in their communities. The lack of knowledge is to some degree mutual.

Some local groups have helped to overcome that knowledge gap by forming corporate advisory groups, and by reaching out to corporate officials in other ways. Sometimes, an employee asked to volunteer or speak at an organization's event becomes the first contact. Such personal contacts are typically a critical first step in the process of building a relationship with a corporation, which will eventually lead to financial support. The best way to arrange a fundraising meeting with a local corporation is to find someone who knows its key executives, and ask that person to make the first contact and arrange a meeting. Local executives can readily be asked to visit a community group's offices and see what it does, but are most likely to do so when urged to by an acquaintance or by an employee of the company.

Community-based groups which wish to benefit from corporate philanthropy should take the time to establish a long-term plan for making contacts, involving corporate representatives in their ongoing activities, and making their organization known to officials of key corporations. Often, corporate fundraising contacts are best done by Board members, as volunteers; staff generally will need to take responsibility for much of the research and for preparation of materials about the agency which can be provided to the corporations. Those who represent the organization should be well briefed. They should go to the meeting with a program to be funded and an amount of money to be requested clearly in mind, carrying with them a capability statement or general support proposal (also called a "case statement"). They should be prepared to describe to the corporate officials how the company will benefit from helping the organization. Often, multiple contacts will be needed before a gift is received.

Corporate fundraising is a long-term effort, requiring ongoing communications. Potential corporate funding sources should receive newsletters or press releases or other positive information about the organization every few months, and should be invited to receptions, annual meetings, and other events which show the organization at its best.

3. INDIVIDUAL DONORS

Individuals are the largest source of non-governmental revenues for nonprofit organizations, providing almost 90% of the private philanthropic dollars. While funding sources come and go, ultimately individuals are the ones who feel the greatest commitment and responsibility to an organization. Whether the initial contact is through the mail, attendance at an event, purchasing a T-shirt, or receiving services from the organization, a personal relationship established between an organization and an individual can result in core funding for years. Don't think that because you work with a "low-income clientele" you don't have a constituency for individual solicitation. In fact, low-income individuals tend to give more, proportionately, than those who supposedly have more to give. Community based organizations should also learn to look beyond their neighborhood when soliciting individual support. Some ways to build individual support for an organization include membership programs and direct mail campaigns.

Membership programs are a good way to get a lot of people involved in your organization and enable you to show a long donor list, which many public and private funders consider a measure of organizational credibility. The advantage of a membership program is that people feel a greater sense of ownership and involvement as "members" than simply as "funders." Remember that an organization's members have both rights and responsibilities: your by-laws must specify what they are. Be especially clear whether your members are voting or non-voting members. Generally, voting members are involved in the governance of your organization, including electing the Board of Directors, and running for office. At a minimum, benefits of membership include a newsletter and invitation to special events. To avoid the legal complications of membership, some organizations have "Associates" instead; they support and may volunteer within the organization, but have no voting rights.

Direct mail campaigns are the solicitation of contributions through an appeal letter for a cause. Any organization that works on public interest issues can develop a mailing list for the purpose of regularly soliciting donations. In addition to soliciting contributions, a direct mail campaign can serve as a communication vehicle between an organization and its constituency, and be used to mobilize support for an issue in which your organization is involved.

Some ways in which your organization can begin to develop and expand a mailing list include having a sign-up sheet at all organizational meetings and events, making mailing list cards available at public events in your community, and keeping records of all individuals who purchase products from your organization and/or receive services. Mailing lists can also be purchased for almost any "category of people" you can think of -- entertainment world, civil rights activists, health care professionals, etc. -- for modest fees from mailing list houses.

A direct mail campaign can be modest and targeted, reaching several hundred regular contributors, or involve a quite extensive and sophisticated mailing to thousands of potential donors. A direct mail program requires a good record-keeping system, including detailed accounting, filing, and administrative work on an ongoing basis. Most small community based organizations are unlikely to have the cash or staff resources for large-scale mail solicitations involving purchased lists of thousands of names. Since a "good" return rate for such solicitations is only a small percent (perhaps three or four responses for every 100 letters sent), such mass mailings can be very costly and financially risky. Much less problematic are smaller, targeted mailings to people who have had some contact with your organization.

To assess your organization's potential and capacity to raise funds using a direct mail approach, check with fundraising staff of large national organizations which successfully employ this strategy, as well as professional direct mail consulting firms. There are also excellent books to guide you in writing effective individual solicitation letters and managing direct mail campaigns.

4. SPECIAL EVENTS FUNDRAISING

Organizations use a variety of special events to raise funds, and some are far more successful than others. Events range from chicken dinners to bingos, awards banquets, and other gala events. Special events are a good way to reach out beyond an organization's immediate constituency to raise funds from a wider group of people.

Special events can be very creative and lots of fun; they can generate publicity and strengthen bonds with supporters. They can also be non-cost effective, in terms of effort and funds raised, and they can be big money losers if they are not planned correctly. When putting on a special event fundraiser, consider the available volunteers/staff, planning time, up-front capital needed, how to identify and target the right audience, and the event's relationship to the agency's program goals. For example, a cultural group may do a benefit performance of a movie, play, or musical group; an advocacy organization may give an awards dinner to recognize community activists and responsive public officials.

One key ingredient for success in special events fundraising is the yearly institutionalization of your most successful effort. This provides an opportunity for an organization to learn from its past successes and failures and become more effective each year, as well as making the event something eagerly awaited in the community.

5. EARNED INCOME

As resources are stretched to meet a growing demand for services, earned income can help to "ease the squeeze." Developing sources of earned income also demonstrates an effort towards

self sufficiency and diversification of your funding sources. which can be an asset when seeking philanthropic support. Some common earned income strategies are:

- **Sales.** If your organization has produced training videos, educational brochures, etc. you may want to explore selling them to other organizations. Before going ahead, you will need to identify your market. and any other similar products that are already available and develop a business plan. It may turn out that your profits are marginal and not worth the effort; however, you may discover steady demand for what you produce. Regardless of whether or not you want to market your publications extensively, you can still cover a portion of your costs for preparing and distributing them by charging a fee. You can waive the charge if a group/person cannot afford *to* pay, or if you want someone -- such as a public official -- to receive it.
- **Fees for Services.** Some organizations charge for some client services, usually on a sliding scale based on income, where this is permitted by the funding source. Give careful thought to this before making the decision to charge fees, especially if the projected income is relatively small in comparison to program costs or if administrative costs for handling project income are high. You may do better by providing free services and encouraging donations from other sources.
- **Consultant Fees.** Charging other organizations for some of your services can help defray program costs. For example, where appropriate, you can charge honoraria for speaking to an association or community group, or for training staff of other organizations, particularly when these services are for large, well-funded mainstream organizations. In order to justify the fees you are charging, be sure the training and consultation services you provide are highly professional.
- **Income Generating Activities.** Nonprofit organizations can undertake some "entrepreneurial" activities to help support program costs. For example, housing development organizations can charge a **development fee** for each project which is usually 4% to 10% of project costs. Thus, a project costing several hundred thousand dollars can yield a good sum. **Property management fees** can also be a source of income. These can be *internal* -- when a group pays itself to manage the facilities in which their offices are housed (this is often done through a subsidiary) -- or *external* -- when an organization manages facilities in the community (a housing complex, office building, etc.) that either they or another entity owns. Revenues can also be generated by **marketing private** landlord units -- screening and referring tenants. Developing/building mini-malls, office complexes, and industrial parks that are then leased are additional ways for community development corporations to generate revenues. Some organizations have been very effective in developing (daily/weekly)

radio programs and selling sponsorships; and in building billboards and bus benches and leasing them out to advertisers. This approach would be even better if the ad messages served the community.

6. RELIGIOUS INSTITUTIONS

Religious institutions are an important source of funding for non-religious organizations. Philanthropic giving by religious groups in the U.S. exceeds that of all the nation's corporations and secular foundations combined. In 1986, religious organizations gave away \$14 billion for nonreligious activities, compared to \$9.6 billion for foundations and corporations combined.

Raising funds from religious institutions differs from seeking foundation grants. Religious institutions rarely consider themselves as grantmakers. Their giving capacity is often part of a larger social justice component and the staff managing the giving program have multiple other responsibilities. Because giving priorities are part of a larger agenda, decisions about these are usually made in large annual convening meetings.

Religious sources will provide support for a program/organization only if they see it as part of their work. Ability to raise funds will largely depend on the relationships that are developed with the Church and its constituency locally, regionally and nationally. Chances are that **it will** be the quality of the relationship that will make the difference, not the number of people you know.

The first point of contact should be your local congregation. They should be able to provide regional and national contacts that you could approach. Identify sympathetic local religious leaders and ask if they administer a discretionary fund for social concerns, community life, or urban life. Ask if they are aware of any other churches or synagogues in more affluent areas of your community that may have similar discretionary funds. Contributions may range from a few hundred to a few thousand. But, besides dollars, churches and synagogues are sources of volunteers, meeting and conference facilities, publicity for your group's activities, low-cost office space and other services. They can also represent powerful allies on the issues that your organization is concerned with.

.Many churches in the U.S. have established funds targeted to help specific constituencies and issues. Some of these include:

- **The Roman Catholic Church's** largest national giving program -- the Campaign for Human Development (CHD) -- which is operated out of the U.S. Catholic Conference (Bishop's Office). CHD's mission is to address the root causes of poverty in America through promotion and support of community-controlled, self-help projects, and through transformative education of the non-poor. It does this through three

programmatic components: 1) Support for community economic development, 2) support for community organizing and other self-help projects, and 3) education for justice. In addition, there are several hundred religious communities/orders which sometimes have their own grant and loan funds.

- **The Episcopal Church** giving programs, including the Coalition for Social Witness and Justice (formerly the Coalition for Human Needs) which provides support for programs addressing basic human needs and issues of social justice; the Presiding Bishop' Fund for World Relief which addresses relief, rehabilitation and development needs around the world; and the United Thank Offering, a program founded and administered by women to address compelling human needs.
- The **Unitarian Church's** Veatch Program which funds grassroots organizing, citizen-based economic development efforts; and the Unitarian Universalist Funding Program which address issues of social and economic justice.
- **The Jewish Fund for Justice** which supports nonprofit organizations working to alleviate the root causes of poverty and the disenfranchisement of low income people in the U.S. through community organizing as well as education and advocacy programs.

Other church funding sources include the **Presbyterian Church U.S.A.** which has several giving programs, among them the Birthday Offering Fund, the Thank Offering Fund, **the Hunger Program**, and the Presbyterian Committee for the Self Development of People; **and the United Methodist Church** Hunger/Poverty Program, and Minority Groups Self **Determination Fund**. For more information on **religious funding sources see the *Religious Funding Resource Guide*** published by *ResourceWomen*, 4529 South Dakota Avenue, N.E., Washington, D.C. 20017, (202) 832-8071.

When raising funds from religious institutions, keep in mind that they each have their own structure with lines of accountability. You will need to become acquainted with these. **Each institution** has established procedures which include filling out an application form, **submitting it by** a certain deadline, and participating in an evaluation process. Seek information on church-related giving programs through local congregations, or write to national offices for application guidelines and list of past recipients. Remember that fundraising from religious sources is very similar to organizing. It is about educating and involving a constituency and working with institutional structures.

7. WORKPLACE FUNDRAISING (*United Way and Alternative Funds*)

Employee contributions for charities in the form of payroll deductions has been increasing in popularity in the last couple of decades. Recent changes in workplace fundraising drives have allowed many organizations that are not members of the United Way to begin competing for the billions of dollars raised in workplace giving each year. **Workplace giving primarily** centers around the **United Way, Combined Federal Campaign (CFC), and alternative funds**. These **entities serve as fundraising umbrellas that solicit** donations throughout the country, mainly through a yearly payroll deduction campaign. In 1993, the United Way raised \$3.05 billion, and an additional \$255 million came from other sources of employee contributions.

Workplace fundraising involves a tremendous amount of "people power. in planning, publicity, and outreach. It may take up to three years before an organization begins to see results. If you are contemplating becoming involved in workplace fundraising, think about a trial run before you invest considerable resources. Approach a local sympathetic workplace to do a campaign or fundraising drive among its employees. Consider the following suggestions: identify someone in the workplace to act as a campaign coordinator; provide promotional materials about your organization/program, such as brochures and posters, and speakers: arrange to have all contributions processed through the personnel or accounting office. For those interested in models. contact the *National Committee for Responsive Philanthropy*, 2001 S Street, N.W., Suite 620, Washington. D.C. 20009. (302)387-9177.

United Way. In 1994. United Ways were expected to raise \$3.13 billion, a \$90 million increase from the 1992 campaign, when United Way giving dropped significantly due to the Aramony scandal. There are over '000 local United Way agencies, each an independent corporation with a Board that sets the agency's policies. Although guidelines vary from one local United Way agency to another, once secured, United Way funding often continues for years. Eligibility for United Way affiliation usually requires that an organization have the following:

- A local office to provide services directly to those in need;
- A policy of non-discrimination covering volunteers, staff, and clients;
- Nonprofit status from the Internal Revenue Service (IRS);
- Fiscal audits on an annual basis;
- A volunteer Board of Directors and volunteers providing services when possible; and

- Demonstrated community support for your organization through individual membership and/or contributions by local funders.

During the fall months, when the United Way campaign is held, recipient agencies must restrict local fundraising efforts and are generally not allowed to seek funds from corporations. In some areas, agencies may need approval for special events and may be restricted from making direct mail appeals to the public. Particular restrictions vary widely among local United Way agencies. Because of these stringent requirements, some organizations feel that affiliation with the United Way limits their fundraising efforts too much and thus it is not cost effective to affiliate. On the other hand, United Way can provide a stable source of core funding for member agencies.

Alternative Funds. In the last decade, alternative funds have begun to challenge United Way's domination in workplace giving. In 1994, there were 183 local and national alternative funds soliciting employee donations for thousands of diverse charities which are either members of the funds or their grantees. Each fund has different giving guidelines and procedures. For a listing of alternative funds and contact information, contact the *National Committee for Responsive Philanthropy*.

Alternative funds were expected to raise \$158 million in 1994, an 8% (\$12 million) increase over 1993. and an 86% increase (\$136 million) since 1988. National funds raise most of their revenues (90%) from the Combined Federal Campaign. Some local and national alternative funds include the following:

- **Black United Funds** -- There are more than 16 BUFs throughout the country which distribute grants to nonprofits assisting African American and other minority groups. In addition, the **National Black United Federation of Charities** was established to create a national presence in the CFC for organizations working towards the advancement of African Americans.
- **The United Latino Fund** -- Established in 1990 in Los Angeles, ULF is structured similarly to the BUF, distributing money raised in the workplace through grants to nonprofit! assisting the Hispanic community.
- **The Asian Pacific Community Fund** makes grants to nonprofits working in the Asian community, and also has member agencies which donors can designate.
- **Social Action Funds** ~ Unlike all other types of alternative funds, social action funds are not issue specific. They raise funds for nonprofit organizations working on a broad range of issues including the environment, neighborhood development,

consumer needs, women's rights, and minority, children, and elderly issues among others. There were 38 state/local social action funds in 1994.

- **Environmental Funds** -- Over the last four years, this has been the fastest growing form of local alternative funds. In 1990 there were only four local environmental funds; today there are 17. **Earth Share** is the national environmental fund supporting some of the most well known national and international environmental organizations.

Other alternative funds include: **the National Voluntary Health Agencies/Combined Health Appeals** which represent health charities such as March of Dimes, Multiple Sclerosis Society, United Cerebral Palsy; United Arts Funds, more than 60 local arts funds raising contributions to support artistic and cultural institutions in communities across the nation; and **Women's Federations** which support a number **nonprofits working** on women's issues. **The Human and Civil Rights Organizations of America** raises funds for nonprofits working to address discrimination and other civil rights issues; and **the Independent Charities of America, and Local Independent Charities** raise funds for nonprofits working to address many different needs.

CONCLUSION

There are thousand of nonprofit organizations in this country competing for limited philanthropic dollars. Thus the challenges of raising funds for services and programs targeting a growing and diverse low-income population in this country are many and varied. Not only are thousands of organizations competing for limited resources, but dozens of program priorities and special population groups -- African Americans, Hispanics, women, people with disabilities, gays and lesbians, farmworkers, just to name a few -- are vying for the attention of funders. Your organization's ability to obtain needed **funds will depend on** many factors, including not only the quality of your programs, but also your knowledge and skills in fundraising -- funder identification and cultivation, as well as marketing your organization and programs creatively and effectively.