

**Susan Mathisen answers some questions we were unable to get to from her webinar Where to Look: Finding Support on Wednesday, September 25, 2013.**

**Q:** Ken (Tennessee): In a very rural area what are the best targets?

**A:** Foundations and government agencies don't distinguish between rural and urban areas, so you can do your research and find funders that way. If you are asking about corporate contributions, are there no small businesses in your area that are benefitting from your programs? Look for those who may be getting spillover from your activities—the local hotel, restaurant, shop. If the local hotel is part of a chain, talk to the manager. Perhaps through them you can apply to the company's foundation (this often is the way smaller bank foundations operate. The proposal must be sent in by the local branch manager.)

If there are no local corporations you can go to, then it is probably best to focus on foundations, agencies, and individuals. The key to successful fundraising is to target your constituency, not try to make something work. You'll just get frustrated!

**Q:** Nicole (Colorado): Any concerns about conflict of interest if someone on your board is employed at the corporation? Or should this be leveraged?

**A:** Corporate people are often sought for board memberships, as that is often the best way to get a corporate contribution from one of the "big guys." It's through a board connection that corps like Macy's and Bank of America support those organizations they do.

The issue of conflict of interest comes up when that board member benefits from the nonprofit. In other words, if they get a big contract to do the nonprofit's construction project, cater the benefit, supply their office needs. This isn't pro-bono; they actually get paid. If the

board member is making a profit from their involvement, that sends up a red flag, especially if the project didn't go out to bid.

If you want more information, check your state's charities bureau to see what the rules or law are regarding conflict of interest in your state.

**Q:** Garret (Florida): Have you ever heard of an organization not applying for grants because it receives money from a local government?

**A:** Only in situations when it covers their full operating budget and is reliable. That said, in an era when government funding is getting cut it is probably best not to rely on their funding alone. Our friends in Europe are struggling with this, as many arts councils are suffering from severe cuts or are being zeroed out. What was once a sure thing is not anymore. To prevent this from happening, I would suggest you start cultivate a few donors for specific projects that your government doesn't fund. This way, if your government funding does get cut, you're ahead of the game as you already have existing relationships with funders that may help you fill the funding gap.

**Q:** Rebecca (New York): is there a particular formula or strategy for applying for grants? I mean, if one has a project and there are a number of different grants that could help to create the project. Should 100% be government or a ratio of 50% government and 25% private foundation, etc.?

There is no such system, at least not for project grants. If you are trying to match a challenge grant, there may be stipulations about how much funding can come from government sources. For example, an NEH Challenge grant will not let you use other federal funds to match it (so you can't use that NEA grant). However, you can use state funds, foundation funds, and individual donations.

In the literature you may see the funding pyramid, which is a planning tool for capital campaigns. You use it to figure out the ratio between funds and number of donors. At the bottom, and largest part of the pyramid are the smaller gifts that come from the most number of donors; at the top are the larger gifts that come from the fewest amount.

**Q:** Connie (Arkansas): How do you suggest incorporating the fundraising role into the lone arranger/curator role?

**A:** Oh, I get asked this so much. I think the key is to start by planning—that means figure out what the projects are, what the budgets are, and what the case for need is. I often suggest developing a case statement for each project. This is a document that includes all of the information you'll need to put together your proposals. The language will all be there, you'll just need to pull out what the funder requires. It makes proposal writing a little easier.

Research is something you'll have to fit in, but once you pinpoint your prospects, your time will be freed up because you will only be concentrating on cultivating them alone.

It does take time, but if you do it in manageable bites, then it won't feel so overwhelming. The key is to plan.

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