

BE PROACTIVE

Template for Processes and Proposals



Sustainer Funder Processes and Proposals

Being a sustainer funder is not proactive – you can sit back and watch applications roll in based on the guidelines you put up on your website or the general outreach you do in the community.

Process Suggestions for Sustainer Funder:

1. If you are part of an official foundation you can put general guidelines and ask for open proposals from qualifying nonprofits on your website and sit back to watch applications roll in either at a specified date or on a rolling basis.
2. If you are an individual donor, and you are not part of a foundation, but want to give as a sustainer funder, you can simply look on a nonprofit's website that you like and press the "donate" button to give to them.

Proposal Information:

If you choose to request open proposals as a sustainer funder, or you simply want more information once you've looked at a nonprofits website before pressing that "donate" button, you may want to ask for official proposal information to get a sense of the organization and to make sure it aligns with your own personal mission, passion and goals.

List of proposal request ideas - Template:

1. Please provide your organization's official mission and vision statement. All organizations have this information readily available.
2. Please provide your organization's most recent budget and annual report. All organizations already have a most recent budget and their annual report often gives you a lot of great information. Note that the most recent budget is sometimes from the past fiscal year because, depending on when you ask for it, the budget for the new fiscal year may not be final because it is undergoing Board approval. It does take the staff more time to get you an unapproved budget that is more recent because they usually have to get special permission from the Board Chair to share with you.
3. Situation Dependent - Please provide your organization's IRS EIN number. This is helpful for you to prove that the organization is a tax deductible 501 C(3). You can also cross reference this with GuideStar Charity Check, link <https://www.guidestar.org>, or ask the group to send you their official IRS letter. More on this in my Be Legal Lesson. Note that this is only important if you care about giving to a tax deductible organization.
4. Please provide your list of Board members. This is important to make sure that the public charity you want to give to has a diverse board of public members.

Note: Most everything I suggest you ask the organization as a sustainer funder is easily available on the web so you can technically do your own research. However, you may want to ask for a proposal to have a more formal record of your donations, and that is fine, because the proposal requests I outline above will not take too much extra time on the nonprofits part to produce.

Campaigner and Launcher Process and Proposal Information

Being a campaigner or launcher funder is proactive - You are directly engaged with nonprofits in the field and are often co-creating the ideas for funding with the nonprofit and in close partnership.

Process Suggestions for a Campaigner or Launcher Funder:

1. Because you are co-creating proposals with the nonprofits you do not need to have an open application process on a website for any nonprofit to apply because it would be a waste of time for them to try and apply, since you as a donor already have a good idea of what you plan to fund.
2. You definitely want written proposals because the projects you are working on with the nonprofits are shorter-term and have very clear benchmarks and deliverables. Note that this is markedly different from the sustainer type proposals, which are hands off and general support.

What is the difference between a general support versus project proposal?

A general support proposal supports the organization with absolutely no strings attached by you as a donor. It is the nonprofit Board of Directors that decides how the general support donation is spent. If you as a donor in any way want to direct terms of your donation then you need to ask the nonprofit to create a project proposal for you to fund. A project proposal lays out a task and outcome for your donation. It is very specific and time limited. It is called a "restricted" donation and after the nonprofit writes the project proposal and gets it funded, the Board of Directors does not have very much extra discretion on how the grant is spent.

Proposal Information - Template:

1. Please submit your project proposal with timeline, outcomes and deliverables. It is created by the nonprofit especially for you to support a specific project or outcome.
2. Please provide a project budget that explains exactly how your organization will utilize the funds once received. This donation is for a very specific project and so you will want assurance that the funds will be spent exactly as promised.
3. Please provide your list of Board members. This is important to make sure that the public charity you want to give to has a diverse board of public members.
4. Situation Dependent - Please provide proof that you are not using funds to lobby as per IRS guidelines. You can't fund lobbying if you want a tax deduction as a private family foundation or an individual donor. If you do not care about the tax deductions then you can ignore this type of a proposal information request. I get more into this during my Be Legal lesson. If you ever have a question about the lobbying you also need to consult a real lawyer to look at your particular scenario.
5. Situation Dependent - Please provide your organization's IRS EIN number. This is helpful for you to prove that the organization is a tax deductible 501 C(3). You can also cross reference this with GuideStar Charity Check, link <https://www.guidestar.org>, or ask the group to send you their official IRS letter. More on this in my Be Legal Lesson. Note that this is only important if you care about giving to a tax deductible organization.

Note: If you are an individual donor and don't have a foundation you may be thinking that the process I propose for Campaigner and Launcher funder is a little daunting because it seems to take more time and expertise to develop specific proposals with the nonprofits. I have a work-around if you want to fund via a campaign or launch but have limited time. Find a colleague who does run a foundation and is already funding the campaign or launching the project you want to fund and then simply piggy back on their work and use the proposals that they receive as the basis for your own donations. A second option for a work around is to contract an expert to help you develop your docket and/or put your funds in a community foundation or other similar entity that can help you with the logistics of funding campaigns or launching a project so that you don't have to go it alone.