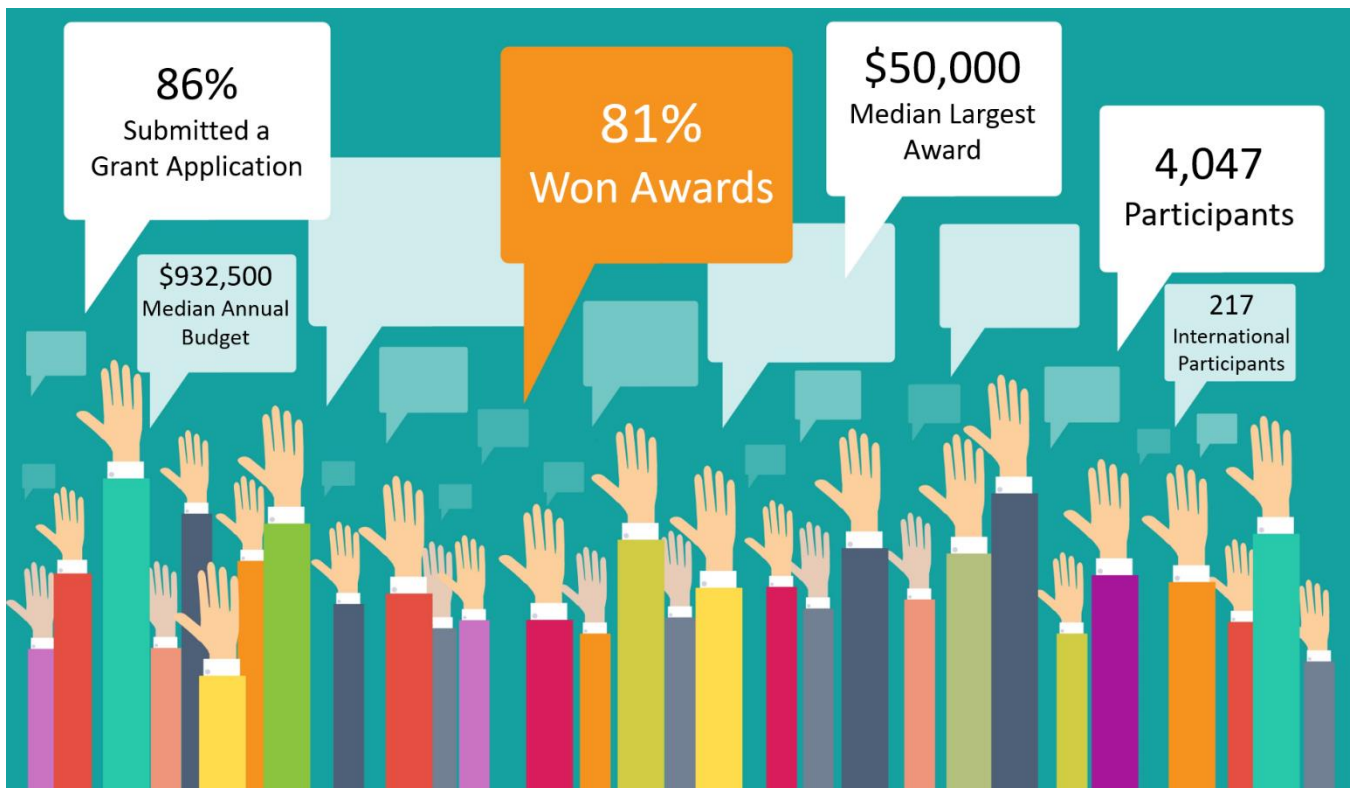


# The Fall 2017 State of Grantseeking™ Report



## OUR UNDERWRITERS

*We extend our appreciation to the underwriters for their invaluable support.*



## OUR ADVOCATES

We extend our appreciation to the following organizations and businesses for their generous support in promoting the survey.



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We extend our appreciation to the following organizations and businesses for their generous support in promoting the survey.



*together* we make a stronger Idaho



**Montana Nonprofit Association**



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## INTRODUCTION

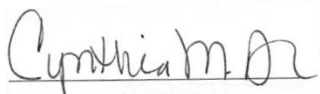
As a leader in the nonprofit sector part of your job is to know about the latest trends and to apply lessons learned by others to the strategic development of your organization. We are here to help you do just that.

The primary objectives of the twice-yearly State of Grantseeking Report are to help you both understand the recent trends in grantseeking and identify benchmarks to help you measure your own success in the field.

This document, *The Fall 2017 State of Grantseeking™ Report*, is the result of the 15th semiannual informal survey of organizations conducted by GrantStation to help illustrate the current state of grantseeking in the U.S.

Underwritten by [Altum/PhilanTrack](#), [Foundant-GrantHub](#), the [Grant Professionals Association](#), [GrantVantage](#), and [TechSoup](#), this report looks at sources of grant funding through a variety of lenses, providing the reader with benchmarks to help them understand the grantseeking and grant giving landscape.

I would like to personally thank the 4,047 respondents who made this report possible. I hope that the information and benchmarks provided will assist each of you in your good work. Responding regularly to a twice-yearly survey takes commitment, and on behalf of the organizations that will benefit from this analysis and those of us at GrantStation, our underwriters, our advocates, and our collaborators, I thank you.



Cynthia M. Adams

Founder and CEO



## EXECUTIVE SUMMARY

The recent, grassroots results of *The Fall 2017 State of Grantseeking™ Survey* suggest that the sector is reflecting the atmosphere of uncertainty caused by Federal and state government program changes. Based on the results of this survey, we suggest that for 2018 you may want to project the same total number of awards as in 2017, and plan for no increase in the value of those awards.

However, be aware that grant funding is available. According to *The Fall 2017 State of Grantseeking™ Report*, 66% of those organizations that submitted just one grant application won an award. In addition, submitting a higher number of applications increased the likelihood of winning awards. Eighty-eight percent of respondents who submitted three to five grant applications received at least one award, and 98% of those who submitted six to ten grant applications received at least one award.

So, one way to increase your organization's chance of winning grant awards is to submit at least three grant applications. This can be difficult to do. The grantseeking challenge of organizational lack of time and staff (18%) relates to indirect and administrative cost control techniques; over half (51%) of our respondents reported reducing staff in order to control overhead.

Private foundations continue to be a funding source for most respondents; 80% reported that they received awards from private foundations. Although government awards are still "big money," organizations should research today's private foundations to learn how they can fund projects or programs.

Another benchmark to consider before submitting an application is organizational age. Funders, particularly the Federal government, tend to look for proof of an organization's sustainability as evidenced by its age. Over 80% of organizations that reported the Federal government as the source of their largest award were over twenty-five years old, compared to 50% of organizations that reported corporations as the source of their largest award.

Organizational collaboration may be another way to increase grantseeking success; it is a trending topic and is encouraged by many funders. Keep in mind that an organization's annual budget, with the implied increases in staff and infrastructure in tandem with the increases in budget size, has an effect on collaborative activities. In the Fall 2017 Report, the budget entry point to participation in collaborative grantseeking was \$25,000,000. Sixty-four percent of organizations with budgets of \$25,000,000 or more participated in collaborative grantseeking in the first six months of 2017. In contrast, 27% of organizations with budgets under \$25,000,000 participated in collaborative grantseeking in the first six months of 2017.

With just 18% of respondents reporting general support as their largest award type, grant funding for indirect/administrative costs is a continued challenge to organizations. Our

respondents generally kept their costs low; 61% reported indirect/administrative costs as 20% or less of their total budgets.

Respondents were asked, "How did you reduce your indirect/administrative costs?" Just over half (51%) reported that they reduced these costs by eliminating staff, while 31% reported increased reliance on volunteer labor.

While it was reported that non-government funders will generally assist with indirect/administrative costs, they limit the amount that they are willing to cover. Forty percent of respondents reported an allowance of 10% or less for these costs, and 21% reported an allowance of 11 to 25% for these costs. Eight percent of respondents reported that non-government funders would not cover indirect/administrative costs, while 26% were unsure of the coverage level. Only 5% of respondents reported that over 25% of these costs were paid by non-government funds.

We at GrantStation hope the State of Grantseeking Reports help to alleviate some of the frustration among nonprofit organizations as they engage in grantseeking activities. Overall, this report speaks to the importance of targeting the right grantmakers. How can this report help your organization find the funding it needs?

First, compare your organization's grantseeking to this report. (Other reports by mission focus, budget size, service area, and geographic region will be published in the near future, and will address more specific survey results.) Are there areas of performance where your organization excels, or where it could stand to improve? Next, set realistic expectations for the projected contribution of grant awards to your total budget, using the results of this survey as one of your guides.

Because these reports are meant to serve you and to help you determine where you need to focus your energy, you may consider setting aside time in your next Board of Directors meeting to discuss this report and how the information can be used to help you build a successful and resilient grant management strategy.

Finally, consider investing in tools to help organizational growth, such as Membership in GrantStation. At [GrantStation](#), we help you to keep your organization financially healthy through assistance in developing a strong grantseeking strategy. [Member Benefits](#) provide the tools for you to find new grant sources, build a strong grantseeking program, and write winning grant proposals.

Ellen C. Mowrer

President, GrantStation

# KEY FINDINGS

## GRANTSEEKING ACTIVITY

- Eighty-six percent of respondents applied for grant funding during the first six months of 2017.
- Fifty-six percent of respondents reported grant funding as comprising 25% or less of their annual budget.
- Compared to the same period in the prior year, 43% of respondents applied for more grants and 32% were awarded more grants. In addition, 30% reported the receipt of larger awards.
- Application rates varied by funder type; 69% of respondents applied for private foundation funding in the first half of 2017.
- Applying for at least three grant awards increased the frequency of winning an award. No awards were won by 30% of organizations that submitted one or two applications. However, only 12% of organizations that submitted three to five applications won no awards, and 3% or fewer of organizations that submitted six or more applications won no awards.

## AWARDS

- Just over half of the respondents to the Fall 2017 Report (51%) reported total awards of \$100,000 or less.
- The median award total was \$75,000, a 6% decrease (-\$5,000) from the median award total in the Spring 2017 Report and a 3% decrease (-\$2,250) from the Fall 2016 Report.
- The median largest award was \$50,000 for the fifth consecutive report. The average largest award was \$795,908, the highest since the Spring 2016 report.
- The median largest award from non-government funders was \$30,000, which is the same amount as in the Spring 2017, Fall 2016, Spring 2016, and Fall 2015 Reports.
- The largest award median for government funders (an aggregate of local, state, and Federal government) was \$182,500, which showed a 24% increase from the Spring 2017 Report.
- The most frequently reported type of support for the largest award was project or program support (44%), followed by general support (18%).

## FEDERAL GOVERNMENT AWARDS

- Of all respondents to *The Fall 2017 State of Grantseeking™ Survey*, 46% stated that their organizations receive Federal funding on a regular basis, and 33% reported receiving Federal funding within the first six months of 2017.

- The Federal government largest award median was \$580,100.
- Most organizations that received Federal funding in the first six months of 2017 reported that their largest Federal award came in the form of grants (64%) or contracts (15%).
- Over half of the funds for the largest Federal award originated directly from the Federal government (54%); 26% originated as pass-through Federal funding via a state government.
- Thirty-three percent of respondents reported that matching funds were required in their largest Federal award. Of those, 55% were allowed to use in-kind gifts toward the match total.
- Sixty-two percent of respondents reported that their largest Federal award included indirect or administrative cost funding.

## INDIRECT/ADMINISTRATIVE COSTS

- Compared to indirect/administrative costs for the prior year, 56% of respondents reported that these costs had remained the same, while 31% reported that these costs had increased. Indirect/administrative costs decreased for 13% of respondents.
- Respondents generally kept their costs low; 61% reported indirect/administrative costs as 20% or less of their total budgets.
- Over half (51%) of our respondents reported that they had reduced indirect/administrative costs by eliminating staff, while 31% reported increased reliance on volunteer labor.
- Individual donations (33%) were the most frequent source of indirect/administrative funding, while foundation grants (13%) were the least frequent source.
- Only 8% of respondents reported that non-government funders would not cover any level of indirect/administrative costs. However, 40% of respondents reported an allowance of 10% or less for these costs.

## COLLABORATION

- Most respondents (62%) did not participate in collaborative grantseeking in the first six months of 2017.
- Twenty-nine percent of those respondents that did submit a collaborative grant application reported winning an award.
- Increases in annual budget size, with the implied increases in staff and infrastructure, had an effect on collaborative activities. Sixty-four percent of organizations with budgets of \$25,000,000 or more participated in collaborative grantseeking in the first six months of 2017, whereas only 15% of organizations with budgets under \$100,000 participated in collaborative grantseeking during this period.

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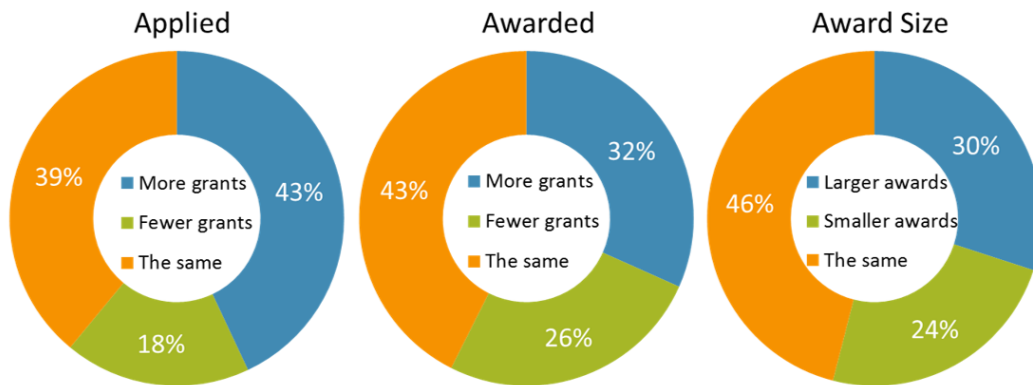
## OTHER FINDINGS

- Lack of time and/or staff (18%) continued to be the greatest challenge to grantseeking among respondents. The challenges of competition for grant awards (15%), funder practices and requirements (12%), and researching and finding mission-specific grants (11%) continued to be among those most frequently mentioned.

# GRANTSEEKING ACTIVITY

## RECENT ACTIVITY

In the first half of 2017, 82% of respondents applied for the same number of grants (39%) or more grants (43%) than they did in the first half of 2016. Of respondent organizations, 75% were awarded the same number of grants (43%) or more grants (32%) compared to the prior year. Moreover, 76% of respondents reported that their organizations received awards of the same size (46%) or larger (30%).

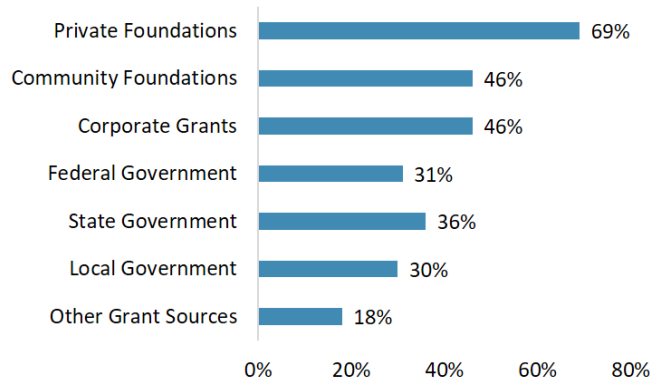


Respondents were optimistic about the future; 43% expected to be awarded more grants in the following six months, and 37% expected to receive the same number of awards.

## APPLICATION RATES

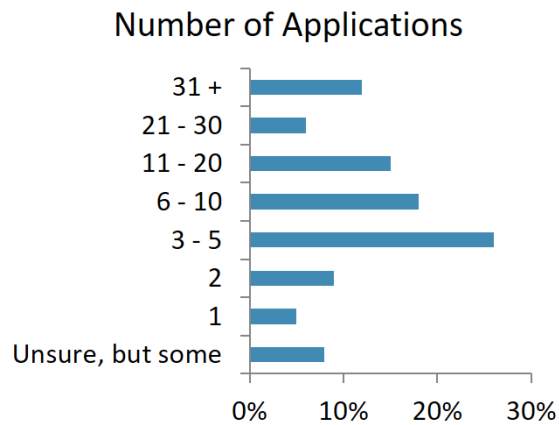
Most respondents (86%) applied for grant funding during the first six months of 2017. Of those who applied for grant funding, application rates varied by funder type.

Application Rate by Funding Source



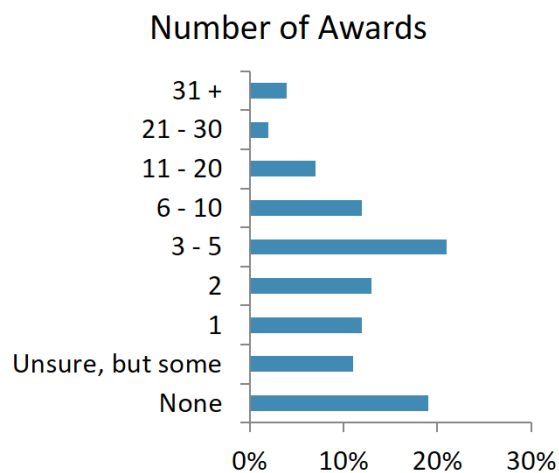
## NUMBER OF GRANT APPLICATIONS

Most respondents (86%) submitted a grant application during the first half of 2017. Of those, 45% submitted between three and ten grant applications. One or two grant applications were submitted by 14% of respondents. Thirty-three percent of respondents submitted 11 or more grant applications. Some applications, of indeterminate quantity, were submitted by 8% of respondents. Of the respondents who submitted a grant application during the first half of 2017, 96% submitted at least one online application, and of these, 29% submitted all of their grant applications online.



## NUMBER OF GRANT AWARDS

During the first half of 2017, a total of 81% of respondents received at least one grant award. Twenty-four percent of respondents received one or two grant awards and 33% received between three and ten grant awards. Eleven or more grant awards were received by 13% of respondents, while 11% reported receiving some awards, but were unsure of the exact number. In this report, 19% of respondents reported no awards.





## GRANT APPLICATIONS VS. GRANT AWARDS

The relationship between applications submitted and awards won can be seen in the chart below. A larger number of applications was more likely to result in a larger number of awards. Some awards received in the first half of 2017 resulted from applications submitted at an earlier time, and some applications were submitted for which awards had not yet been determined.

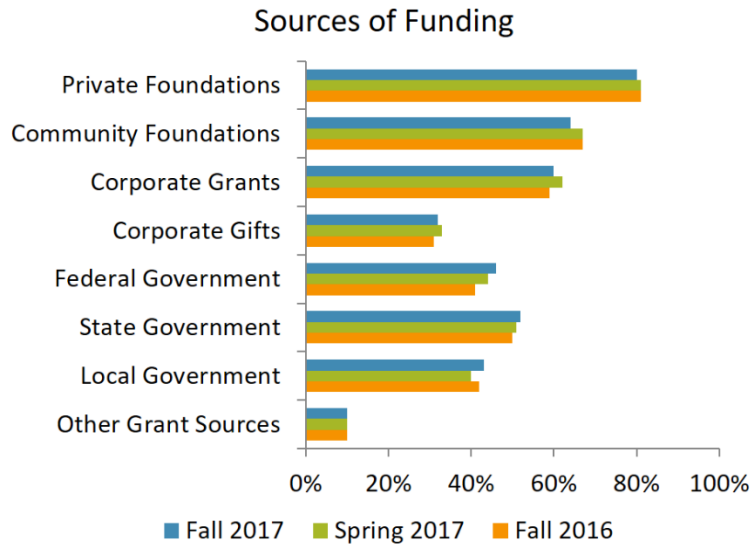
Number of Awards	Number of Applications						
	1	2	3 - 5	6 - 10	11 - 20	21 - 30	31 +
None	46	69	76	12	8	1	3
1	74	72	97	23	8	1	0
2	10	93	182	46	11	4	4
3-5	4	11	285	215	68	11	5
6-10	1	0	13	124	156	35	18
11-20	0	0	0	8	80	74	56
21-30	0	0	0	0	6	25	32
31+	0	0	0	0	3	2	111

- One Application: 66% of respondents were awarded at least one grant.
- Two Applications: 72% of respondents were awarded at least one grant.
- Three to Five Applications: 88% of respondents were awarded at least one grant; 72% of respondents were awarded two to five grants.
- Six to Ten Applications: 97% of respondents were awarded at least one grant; 79% of respondents were awarded three to ten grants.
- 11 to 20 Applications: 98% of respondents were awarded at least one grant; 69% of respondents were awarded six to 20 grants.
- 21 to 30 Applications: 99% of respondents were awarded at least one grant; 71% of respondents were awarded six to 20 grants.
- Over 30 Applications: 99% of respondents were awarded at least one grant; 48% of respondents were awarded over 30 grants.

Applying for at least three grant awards increases the frequency of winning an award. Thirty percent of organizations that submitted one or two applications won no awards. However, only 12% of organizations that submitted three to five applications won no awards, and 3% or fewer of organizations that submitted six or more applications won no awards.

## GRANT FUNDING SOURCES

Private foundations, community foundations, and corporations continued to be the most frequently cited sources of grant awards. The arrows in the source trends details compare the Fall 2017 Report to the Spring 2017 Report in order to capture recent fluctuations in funding.

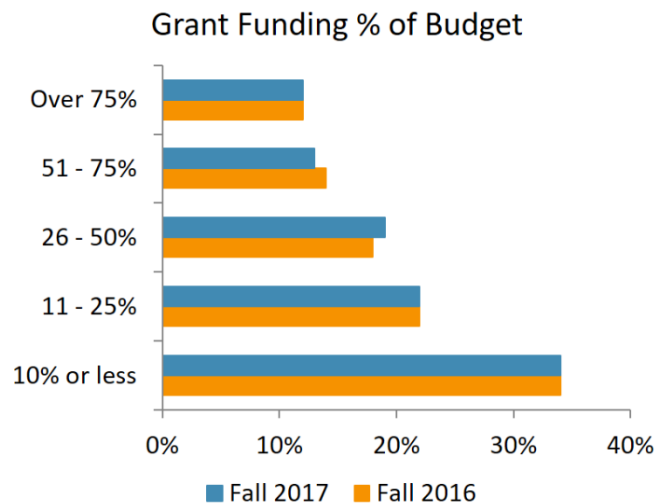


#### GRANT FUNDING SOURCE TRENDS:

- ↓ Private foundations were a funding source for 80% of respondents, a 1% decrease from both the Spring 2017 and Fall 2016 Reports.
- ↓ Community foundations were a funding source for 64% of respondents, a 4% decrease from both the Spring 2017 and Fall 2016 Reports.
- ↓ Corporate grants were a funding source for 60% of respondents, a 3% decrease from the Spring 2017 Report, and a 2% increase from the Fall 2016 Report.
- ↓ Corporate awards in the form of gifts of products or services were a funding source for 32% of respondents, a 3% decrease from the Spring 2017 Report, and a 3% increase from the Fall 2016 Report.
- ↑ Federal government grants were a funding source for 46% of respondents, a 5% increase from the Spring 2017 Report, and a 12% increase from the Fall 2016 Report.
- ↑ State government grants were a funding source for 52% of respondents, a 2% increase from the Spring 2017 Report, and a 4% increase from the Fall 2016 Report.
- ↑ Local government grants were a funding source for 43% of respondents, an 8% increase from the Spring 2017 Report, and a 2% increase from the Fall 2016 Report.
- ➔ Other grant sources (including religious organizations, the United Way, donor-advised funds, civic organizations, and tribal funds) were a funding source for 10% of respondents, the same rate as both the Spring 2017 and Fall 2016 Reports.

## GRANT FUNDING BUDGET CONTRIBUTION

Organizations reported little overall change in grant funding as a percentage of their budgets between the Fall 2016 and Fall 2017 Reports. Fifty-six percent of respondents reported grant funding as 25% or less of their annual budget in both the Fall 2016 and Fall 2017 Reports.



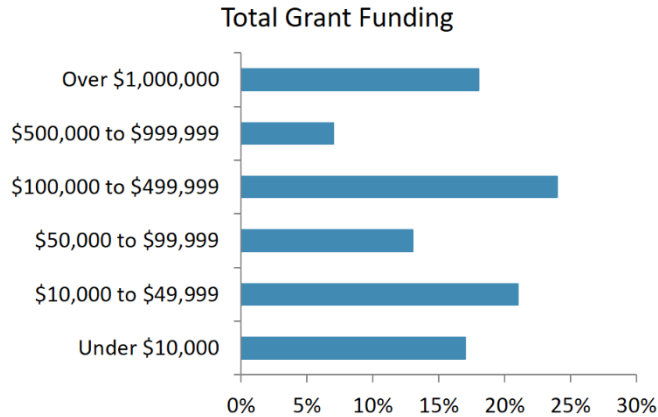
## SUMMARY

Most respondents (86%) reported applying for grant awards, and of those, 81% of respondents received at least one grant award. Organizations reported decreases (1% to 4%) in the rate of funding from private foundations, community foundations, and corporations, and increases (2% to 8%) in the rate of funding from Federal, state, and local government. No change was reported in the rate of funding from "other" sources. Applying for at least three grant awards increased the frequency of winning an award; only 12% of organizations that submitted three to five applications won no awards, and 3% or fewer of organizations that submitted six or more applications won no awards. Fifty-six percent of respondents reported grant funding as 25% or less of their annual budget in both the Fall 2016 and Fall 2017 Reports.

# TOTAL FUNDING AND LARGEST AWARDS

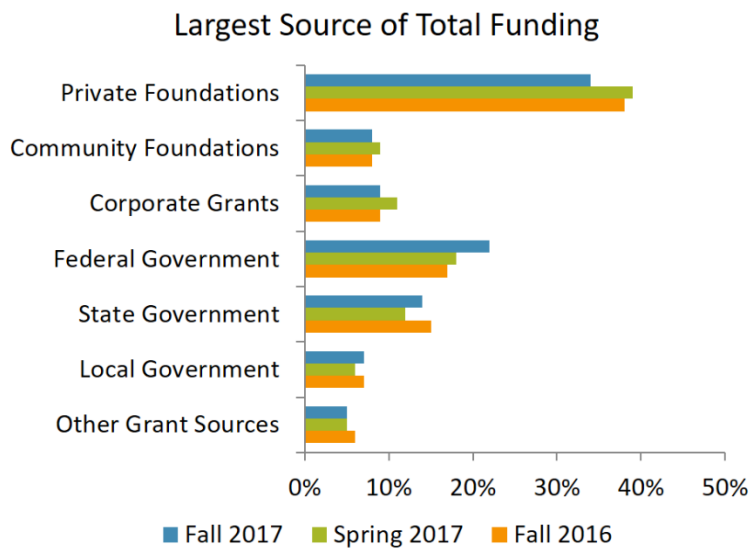
## TOTAL GRANT FUNDING

Eighty-one percent of respondents who applied for a grant reported receiving awards in the first half of 2017. Just over half of respondents (51%) reported total awards under \$100,000. The median award total was \$75,000, a 6% decrease (-\$5,000) from the median award total in the Spring 2017 Report and a 3% decrease (-\$2,250) from the Fall 2016 Report.



## LARGEST SOURCE OF TOTAL FUNDING TRENDS

Private foundations (34%), the Federal government (22%), and state government (14%) were most frequently reported as the largest source of total grant funding.

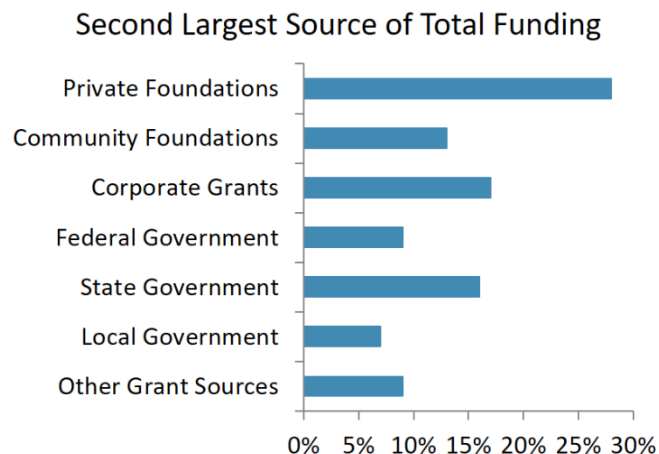


### LARGEST SOURCE OF TOTAL FUNDING TRENDS:

- ↓ Private foundations were the largest total funding source for 34% of respondents, a 13% decrease from the Spring 2017 Report, and an 11% decrease from the Fall 2016 Report.
- ↓ Community foundations were the largest total funding source for 8% of respondents, an 11% decrease from the Spring 2017 Report, and the same rate as the Fall 2016 Report.
- ↓ Corporate grants were the largest total funding source for 9% of respondents, an 18% decrease from the Spring 2017 Report, and the same rate as the Fall 2016 Report.
- ↑ Federal government grants were the largest total funding source for 22% of respondents, a 22% increase from the Spring 2017 Report, and a 29% increase from the Fall 2016 Report.
- ↑ State government grants were the largest total funding source for 14% of respondents, a 17% increase from the Spring 2017 Report, and a 7% decrease from the Fall 2016 Report.
- ↑ Local government grants were the largest total funding source for 7% of respondents, a 17% increase from the Spring 2017 Report, and the same rate as the Fall 2016 Report.
- Other grant sources were the largest total funding source for 5% of respondents, the same rate as the Spring 2017 Report, and a 17% decrease from the Fall 2016 Report.

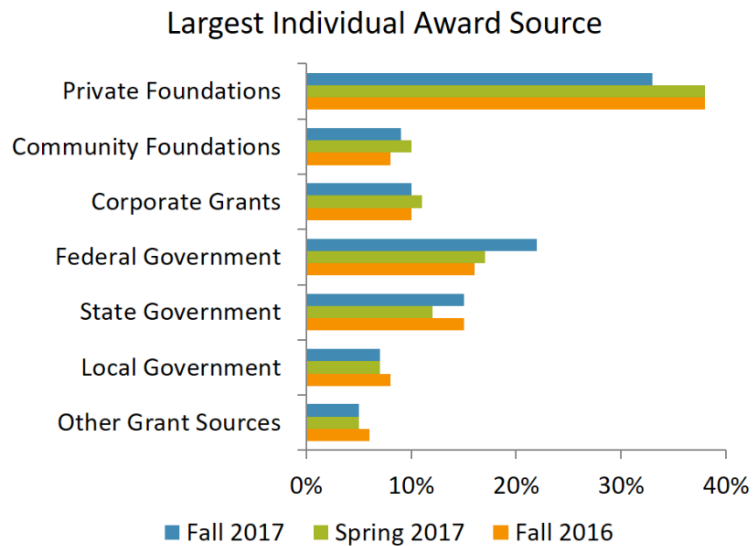
### SECOND LARGEST SOURCE OF TOTAL FUNDING

The second largest source of total funding was reported as private foundations by 28% of respondent organizations, followed by corporate grants (17%), state government (16%), and community foundations (13%). The Federal government (9%) and local government (7%) were also reported as the second largest total funding source. Other grant sources were the second largest source of total funding for 9% of respondents.



## LARGEST INDIVIDUAL AWARD SOURCE

Private foundations were the most frequently reported source of the largest individual grant award, followed by the Federal government and state government.



### LARGEST INDIVIDUAL FUNDING SOURCE TRENDS:

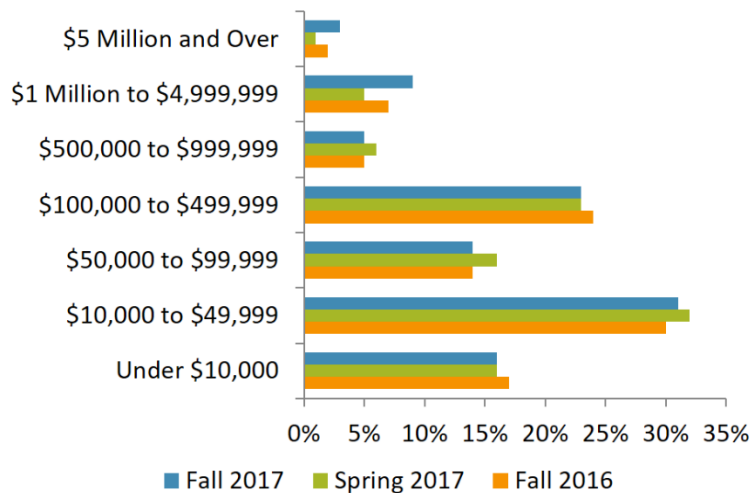
- ↓ Private foundations were the source of the largest individual award for 33% of respondents, a 13% decrease from both the Spring 2017 and Fall 2016 Reports.
- ↓ Community foundations were the source of the largest individual award for 9% of respondents, a 10% decrease from the Spring 2017 Report, and a 13% increase from the Fall 2016 Report.
- ↓ Corporate grants were the source of the largest individual award for 10% of respondents, a 9% decrease from the Spring 2017 Report, and the same rate as the Fall 2016 Report.
- ↑ Federal government grants were the source of the largest individual award for 22% of respondents, a 29% increase from the Spring 2017 Report, and a 38% increase from the Fall 2016 Report.
- ↑ State government grants were the source of the largest individual award for 15% of respondents, a 25% increase from the Spring 2017 Report, and the same rate as the Fall 2016 Report.
- Local government grants were the source of the largest individual award for 7% of respondents, the same rate as the Spring 2017 Report, and a 13% decrease from the Fall 2016 Report.
- Other grant sources were the largest individual award source for 5% of respondents, the same rate as the Spring 2017 Report, and a 17% decrease from the Fall 2016 Report.

## LARGEST AWARD SIZE

The median largest award was \$50,000 for the fifth consecutive report. The average largest award was \$795,908, the highest since the Spring 2016 report.

Median Largest Award Size	Fall 2017	Spring 2017	Fall 2016	Spring 2016	Fall 2015
Lowest \$	\$100	\$100	\$100	\$40	\$12
Highest \$	\$150 Million	\$186 Million	\$225 Million	\$290 Million	\$250 Million
Median \$	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Average \$	\$795,908	\$524,920	\$686,952	\$968,962	\$656,412
Median Largest Award Size	Spring 2015	Fall 2014	Spring 2014	Fall 2013	Spring 2013
Lowest \$	\$60	\$10	\$35	\$400	\$40
Highest \$	\$20 Million	\$40 Million	\$80 Million	\$50 Million	\$18 Million
Median \$	\$43,800	\$45,000	\$47,000	\$46,000	\$50,000
Average \$	\$308,103	\$389,797	\$586,866	\$531,322	\$409,176

### Largest Individual Award Size



### LARGEST INDIVIDUAL AWARD SIZE TRENDS:

- ➔ Largest awards under \$10,000 were reported by 16% of respondents, the same rate as the Spring 2017 Report, and a 6% decrease from the Fall 2016 Report.
- ⬇️ Largest awards between \$10,000 and \$49,999 were reported by 31% of respondents, a 3% decrease from the Spring 2017 Report, and a 3% increase from the Fall 2016 Report.

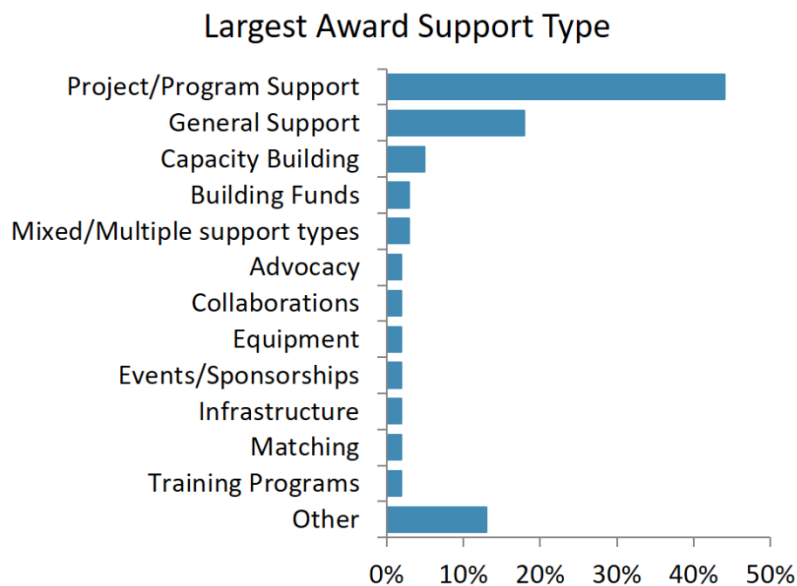


- ↓ Largest awards between \$50,000 and \$99,999 were reported by 14% of respondents, a 13% decrease from the Spring 2017 Report, and the same rate as the Fall 2016 Report.
- Largest awards between \$100,000 and \$499,999 were reported by 23% of respondents, the same rate as the Spring 2017 Report, and a 4% decrease from the Fall 2016 Report.
- ↓ Largest awards between \$500,000 and \$999,999 were reported by 5% of respondents, a 17% decrease from the Spring 2017 Report, and the same rate as the Fall 2016 Report.
- ↑ Largest awards between \$1,000,000 and \$4,999,999 were reported by 9% of respondents, an 80% increase from the Spring 2017 Report, and a 29% increase from the Fall 2016 Report.
- ↑ Largest awards of \$5,000,000 and higher were reported by 3% of respondents, a 200% increase from the Spring 2017 Report, and a 50% increase from the Fall 2016 Report.

## LARGEST AWARD SUPPORT TYPE

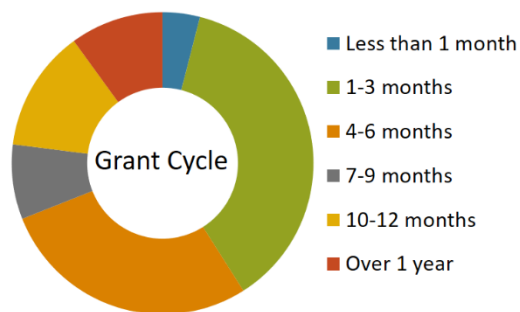
The largest award received by 44% of respondents was in the form of project or program support, followed by general support at 18%.

Capacity building was the largest award support type for 5% of respondents, while building funds and mixed/multiple support types were each reported by 3% of respondents. Advocacy, collaborations, equipment, events/sponsorships, infrastructure, matching, and training programs were each reported by 2% of respondents as the type of support for the largest award. The “other” category was comprised of any support type reported at a rate of 1% or less.

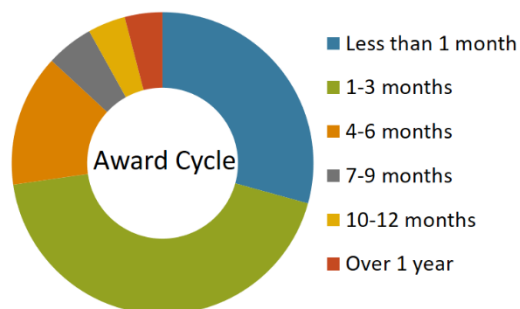


## LARGEST AWARD LOGISTICS

The grant cycle length—from proposal submission to award decision—for the largest grant award was between one and six months for 65% of respondents. A longer grant cycle of seven months or more was reported by 31% of respondents, while 4% reported a short grant cycle of less than a month.



Once an award decision had been determined, funders released the award monies quickly; 72% of respondents reported receiving the award within three months of notification. Delayed receipt of award monies, taking four months or more, was reported by 28% of respondents.



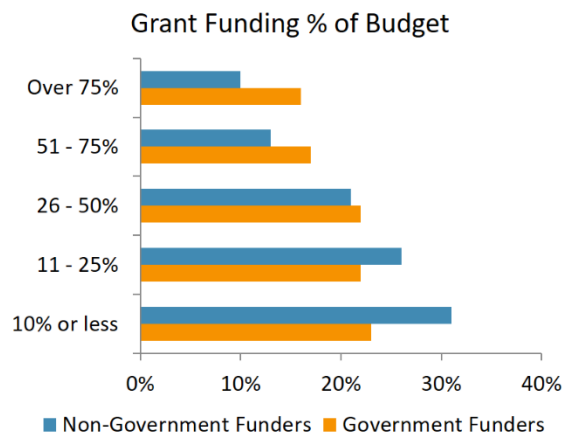
## SUMMARY

Just over half of the respondents to the Fall 2017 Report (51%) reported total awards of less than \$100,000. The median award total was \$75,000, a 6% decrease (-\$5,000) from the median award total in the Spring 2017 Report and a 3% decrease (-\$2,250) from the Fall 2016 Report. The median largest award was \$50,000 for the fifth consecutive report. The average largest award was \$795,908, the highest since the Spring 2016 report. Private foundations continue to be the most frequently reported largest source of total funding (34%), second largest source of total funding (28%), and source of the largest individual grant award (33%).

# GOVERNMENT FUNDING

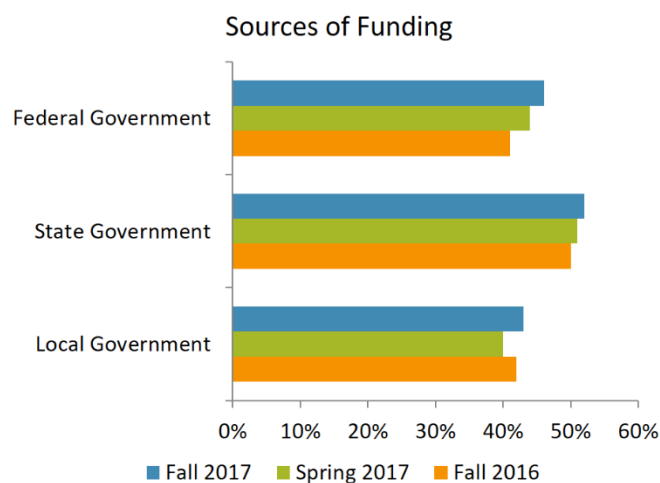
## GOVERNMENT GRANT FUNDING BUDGET CONTRIBUTION

Organizations that reported government funders as the source of the largest award relied on grants to fund a larger portion of their annual budgets. Of organizations with the largest award funded by government sources, 33% reported that grants comprised over one half of their annual budgets, compared to 23% of organizations with the largest award funded by non-government sources.



## GOVERNMENT FUNDING SOURCES

Funding rates by Federal, state, and local government increased in the past year.

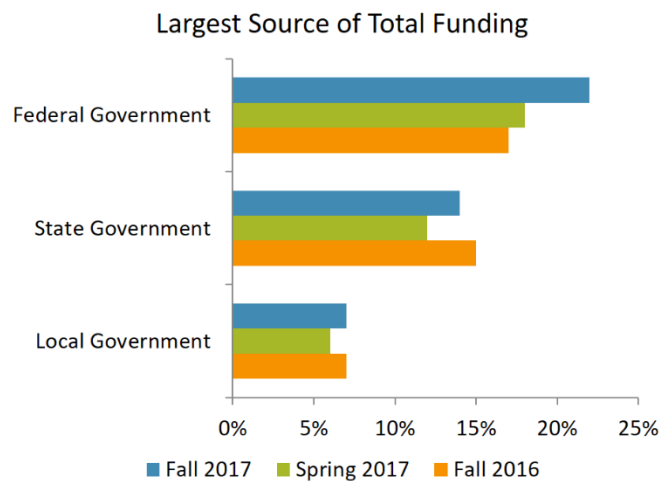


### GOVERNMENT FUNDING SOURCE TRENDS:

- ↑ Federal government grants were a funding source for 46% of respondents, a 5% increase from the Spring 2017 Report, and a 12% increase from the Fall 2016 Report.
- ↑ State government grants were a funding source for 52% of respondents, a 2% increase from the Spring 2017 Report, and a 4% increase from the Fall 2016 Report.
- ↑ Local government grants were a funding source for 43% of respondents, an 8% increase from the Spring 2017 Report, and a 2% increase from the Fall 2016 Report.

### GOVERNMENT LARGEST SOURCE OF TOTAL FUNDING

The Federal government (22%) was most frequently reported as the largest source of total government funding.

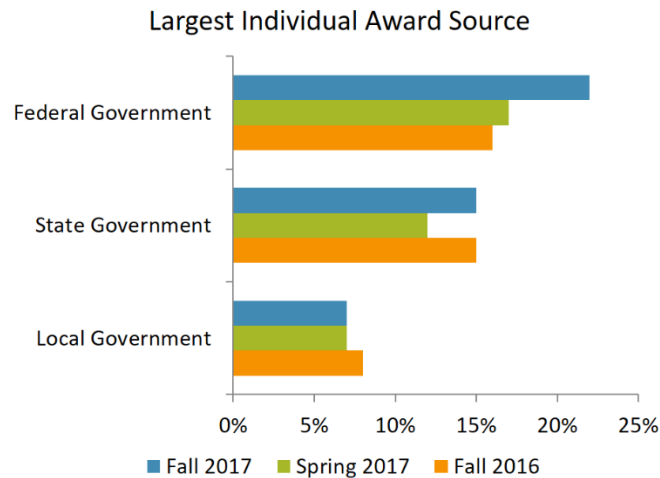


### GOVERNMENT LARGEST SOURCE OF TOTAL FUNDING TRENDS:

- ↑ Federal government grants were the largest total funding source for 22% of respondents, a 22% increase from the Spring 2017 Report, and a 29% increase from the Fall 2016 Report.
- ↑ State government grants were the largest total funding source for 14% of respondents, a 17% increase from the Spring 2017 Report, and a 7% decrease from the Fall 2016 Report.
- ↑ Local government grants were the largest total funding source for 7% of respondents, a 17% increase from the Spring 2017 Report, and the same rate as the Fall 2016 Report.

## GOVERNMENT LARGEST INDIVIDUAL AWARD SOURCE

The Federal government (22%) was the most frequently reported government source of the largest individual award.



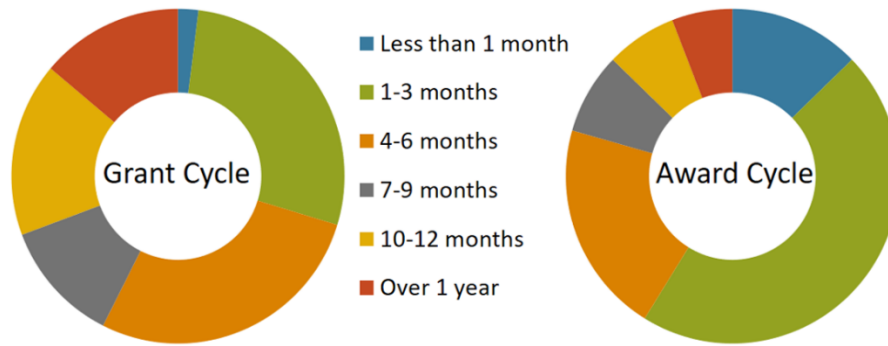
## GOVERNMENT LARGEST INDIVIDUAL AWARD SOURCE TRENDS:

- ↑ Federal government grants were the source of the largest individual award for 22% of respondents, a 29% increase from the Spring 2017 Report, and a 38% increase from the Fall 2016 Report.
- ↑ State government grants were the source of the largest individual award for 15% of respondents, a 25% increase from the Spring 2017 Report, and the same rate as the Fall 2016 Report.
- ➔ Local government grants were the source of the largest individual award for 7% of respondents, the same rate as the Spring 2017 Report, and a 13% decrease from the Fall 2016 Report.

## GOVERNMENT LARGEST AWARD LOGISTICS

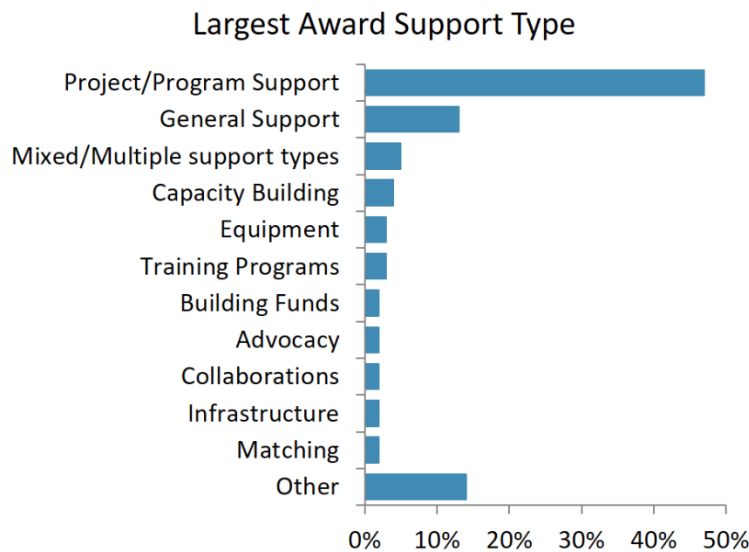
The government grant cycle length—from proposal submission to award decision—for the largest award was between one and six months for 56% of respondents. A longer grant cycle of seven months or more was reported by 42% of respondents, while 2% reported a short grant cycle of less than a month.

Once an award decision had been determined, the government often released the award monies within three months of notification (59%). Delayed receipt of award monies, taking four months or more, was reported by 41% of respondents. This timing is significant, as 83% of funds from non-government sources were released within three months of notification.



### GOVERNMENT LARGEST AWARD SUPPORT TYPE

The largest government award received by 47% of respondents was in the form of project or program support, which was followed by general support at 13%. The type of support for the largest government award was also reported as mixed/multiple support types (5%), capacity building (4%), equipment (3%), and training programs (3%). All other support types were reported at a rate of 2% or less.



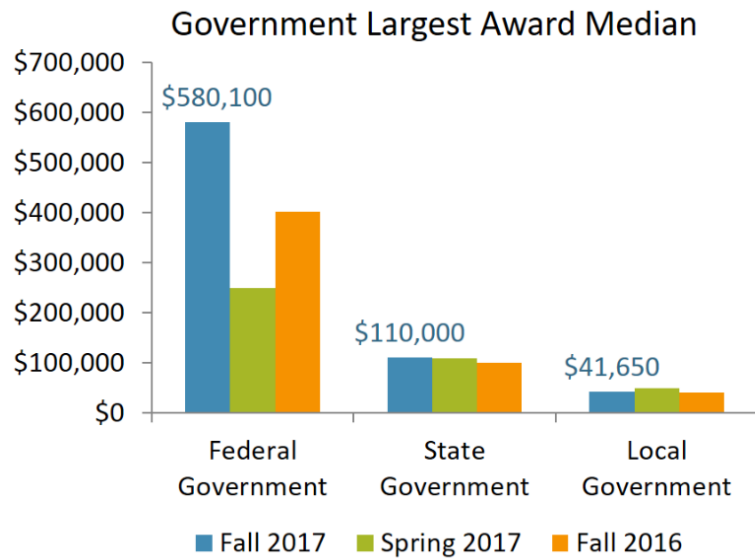
### GOVERNMENT LARGEST AWARD SIZE

The largest individual award medians from government entities were higher than those from non-government funders.

The largest individual award median was \$580,100 for the Federal government, \$110,000 for state government, and \$41,650 for local government. In comparison, the largest award median

from non-government funders (private foundations, community foundations, corporate foundations, and “other” sources, in aggregate) was \$30,000.

Median Largest Award Size	Federal Government	State Government	Local Government	Non Government
Lowest \$	\$100	\$275	\$500	\$250
Highest \$	\$150 Million	\$72 Million	\$3 Million	\$35 Million
Median \$	\$580,100	\$110,000	\$41,650	\$30,000
Average \$	\$3,038,400	\$872,300	\$175,525	\$250,400



**GOVERNMENT LARGEST INDIVIDUAL AWARD MEDIAN TRENDS:**

- ↑ The largest award median for the Federal government, \$580,100, showed a 132% increase from the Spring 2017 Report, and a 44% increase from the Fall 2016 Report.
- ↑ The largest award median for state government, \$110,000, showed less than a 1% increase from the Spring 2017 Report, and a 9% increase from the Fall 2016 Report.
- ↓ The largest award median for local government, \$41,650, showed a 17% decrease from the Spring 2017 Report, and a 4% increase from the Fall 2016 Report.



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## FEDERAL GOVERNMENT FUNDING

Forty-six percent of respondents reported that their organizations regularly receive Federal funding, and 33% stated that their organizations received Federal funding within the first six months of 2017.

### FEDERAL GOVERNMENT AWARD FORM

Those organizations that received Federal funding from January through June of 2017 reported that their largest Federal award came in the form of grants (64%), contracts (15%), or another form, including cooperative agreements (7%). Fourteen percent were unsure of the form of funding.

### FEDERAL GOVERNMENT AWARD ORIGIN

Fifty-four percent of the funds for the largest Federal award originated directly from the Federal government, while 26% originated as pass-through Federal funding via a state government. Eight percent originated in another form, primarily pass-through funding from a non-Federal level of government or a nonprofit organization. Twelve percent of respondents were unsure of where their Federal funding originated.

### FEDERAL GOVERNMENT MATCHING FUNDS

Half (50%) of respondents that received Federal funding reported that their largest Federal award did not require matching funds, whereas 33% reported that their largest Federal award required matching funds. Seventeen percent of respondents that received Federal funding were unsure if matching funds were included.

Of those awards that included matching funds, 55% were allowed to use in-kind gifts toward the match total, including volunteer hours, facilities usage, time and travel, and donations of goods and services. Respondents most frequently reported a match of 11% to 25% (35%) or 26% to 50% (22%). Fourteen percent reported a match of 10% or less, and 18% reported a match of over 50%. Eleven percent of respondents were unsure of the match amount, if any.

### FEDERAL GOVERNMENT INDIRECT/ADMINISTRATIVE COST FUNDING

The largest Federal award included indirect/administrative cost funding for 62% of respondents, while 24% reported that cost funding was not included, and 14% were unsure if this type of funding was included.

Of those respondents that did receive indirect/administrative cost funding, 33% reported that their largest Federal award included an allocation of 10% or less for indirect/administrative costs, and 17% reported that the award included 11% to 20% funding for these costs. Twenty-three percent of respondents reported that their largest Federal award included funding of 21%

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or more for indirect/administrative costs, while 27% were unsure of the level of funding allocated to these costs.

## FEDERAL GOVERNMENT REPORTING

Of organizations that received Federal awards, 52% were required to report on outcomes or cost per unit for the largest award, while this type of reporting was not required for 18%. Thirty percent were unsure of reporting requirements.

Of those respondents that received Federal awards requiring outcome or cost per unit reporting, the reporting was more detailed or time-consuming than in the past for 20%, whereas it was less detailed or time-consuming for 2%. There was no change in the reporting difficulty for 36% of respondents, and 42% of respondents were unsure as to the level of reporting difficulty.

## RESPONDENTS BY GOVERNMENT LARGEST AWARD SOURCE

As illustrated by *The Fall 2017 State of Grantseeking™ Survey* results, an organization's demographics can be defined by the source of the largest award. The following are typical organizations that received their largest award from each funder type.

### ORGANIZATIONS FOR WHICH THE FEDERAL GOVERNMENT WAS THE LARGEST AWARD SOURCE:

Eighty-four percent of respondents from organizations for which the Federal government was the largest award source (FGLAS) were directly associated with their organizations as employees (43%) or at an executive level (41%). Nonprofits comprised 57% of FGLAS organizations, and educational institutions comprised 28%. FGLAS organizations most frequently reported employing over 200 people (43%). Eighty percent of FGLAS organizations reported annual budgets of \$1,000,000 and over; of those, 36% reported annual budgets of \$25,000,000 and over. The median annual budget was \$4,962,326. FGLAS organizations were older than other organizations; 32% were 26 to 50 years old and 48% were over 50 years old. Forty-seven percent of FGLAS organizations were located in a mix of service area types (rural, suburban, and urban). The most frequent geographic service reach for FGLAS organizations was international (21%) or multi-county (28%). Human Services (24%) and Education (23%) were the most frequently reported mission focuses. Forty-five percent of these organizations reported a service population comprised of over 50% individuals/families at or below the poverty level.

### ORGANIZATIONS FOR WHICH STATE GOVERNMENT WAS THE LARGEST AWARD SOURCE:

Eighty-seven percent of respondents from organizations for which state government was the largest award source (SGLAS) were directly associated with their organizations as employees (34%) or at an executive level (53%). Nonprofits comprised 80% of SGLAS organizations. SGLAS organizations most frequently reported employing one to five people (26%) or 11 to 75 people (28%). Fifty-eight percent of SGLAS organizations reported annual budgets of \$1,000,000 and over; of those, 27% reported annual budgets between \$1,000,000 and \$4,999,999. The median annual budget was \$1,201,627. Most SGLAS organizations were 26 to 50 years old (34%) or over 50 years old (34%). Forty-four percent of SGLAS organizations were located in a mix of service area types (rural, suburban, and urban). The most frequent geographic service reach for SGLAS organizations was multi-county (36%) or one county (16%). Human Services (26%), Arts, Culture, and Humanities (19%), and Education (17%) were the most frequently reported mission focuses. Just under half of these organizations (49%) reported a service population comprised of over 50% individuals/families at or below the poverty level.

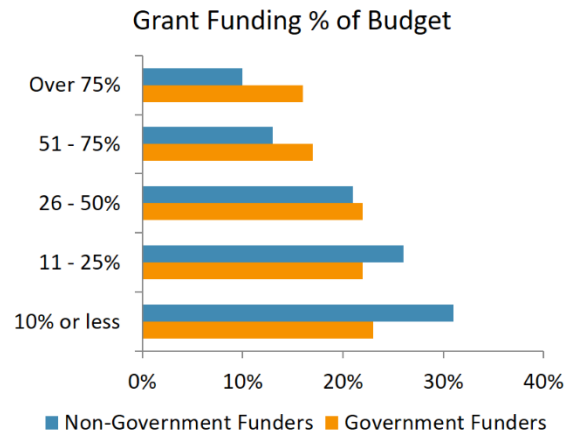
## ORGANIZATIONS FOR WHICH LOCAL GOVERNMENT WAS THE LARGEST AWARD SOURCE:

Ninety percent of respondents from organizations for which local government was the largest award source (LGLAS) were directly associated with their organizations as employees (22%) or at an executive level (68%). Nonprofits comprised 94% of LGLAS organizations. LGLAS organizations most frequently reported employing one to five people (32%) or six to 25 people (25%). Twenty-nine percent of LGLAS organizations reported annual budgets between \$250,000 and \$999,999; 29% reported annual budgets between \$1,000,000 and \$4,999,999. The median annual budget was \$750,000. Most LGLAS organizations were 11 to 25 years old (31%) or 26 to 50 years old (32%). Forty-two percent were located in urban areas; the most frequent geographic service reach for LGLAS organizations was multi-county (29%) or one county (28%). Human Services (29%) and Arts, Culture, and Humanities (27%) were the most frequently reported mission focuses. Fifty-three percent of these organizations reported a service population comprised of over 50% individuals/families at or below the poverty level.

# NON-GOVERNMENT FUNDING

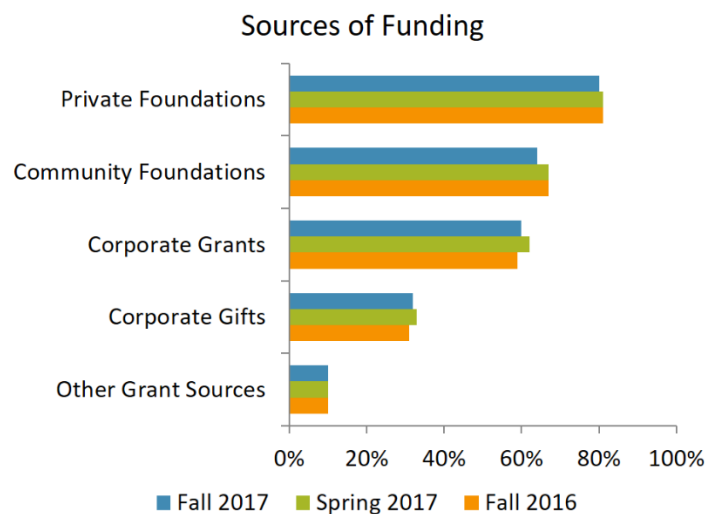
## NON-GOVERNMENT GRANT FUNDING BUDGET CONTRIBUTION

Organizations that reported non-government funders as the source of the largest award relied on grants to fund a smaller portion of their annual budgets. Of these organizations, 77% reported that grants comprised one half or less of their annual budgets, compared to 67% of organizations with the largest award funded by government sources.



## NON-GOVERNMENT FUNDING SOURCES

Private foundations, community foundations, and corporations continued to be the most frequently cited sources of non-government grant awards.

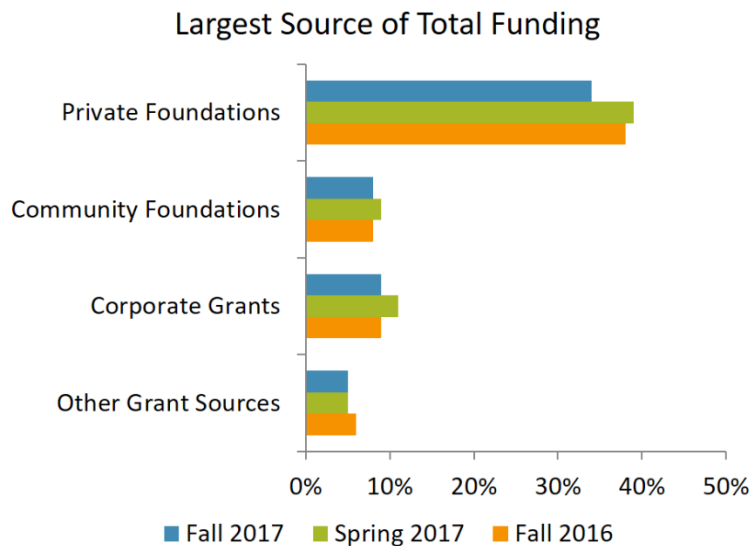


### NON-GOVERNMENT FUNDING SOURCE TRENDS:

- ↓ Private foundations were a funding source for 80% of respondents, a 1% decrease from both the Spring 2017 and Fall 2016 Reports.
- ↓ Community foundations were a funding source for 64% of respondents, a 4% decrease from both the Spring 2017 and Fall 2016 Reports.
- ↓ Corporate grants were a funding source for 60% of respondents, a 3% decrease from the Spring 2017 Report, and a 2% increase from the Fall 2016 Report.
- ↓ Corporate awards in the form of gifts of products or services were a funding source for 32% of respondents, a 3% decrease from the Spring 2017 Report, and a 3% increase from the Fall 2016 Report.
- Other grant sources (including religious organizations, the United Way, donor-advised funds, civic organizations, and tribal funds) were a funding source for 10% of respondents, the same rate as both the Spring 2017 and Fall 2016 Reports.

### NON-GOVERNMENT LARGEST SOURCE OF TOTAL FUNDING

Private foundations (34%) were most frequently reported as the largest non-government source of total funding.



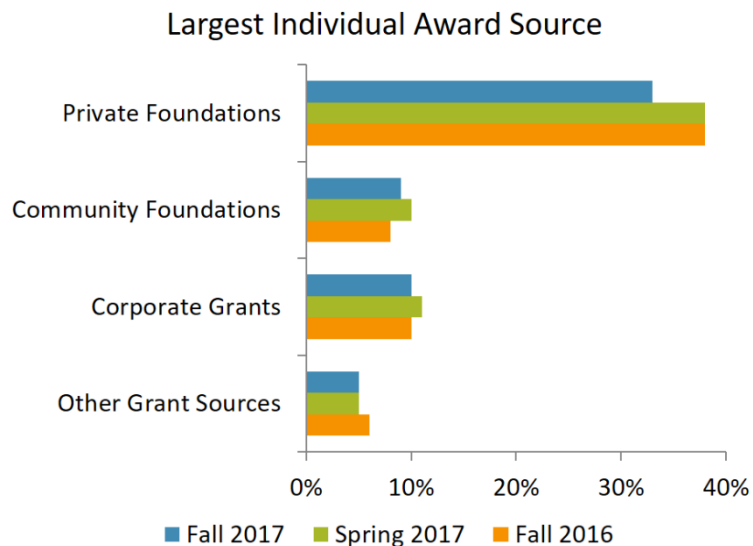
### NON-GOVERNMENT LARGEST SOURCE OF TOTAL FUNDING TRENDS:

- ↓ Private foundations were the largest total funding source for 34% of respondents, a 13% decrease from the Spring 2017 Report, and an 11% decrease from the Fall 2016 Report.

- ↓ Community foundations were the largest total funding source for 8% of respondents, an 11% decrease from the Spring 2017 Report, and the same rate as the Fall 2016 Report.
- ↓ Corporate grants were the largest total funding source for 9% of respondents, an 18% decrease from the Spring 2017 Report, and the same rate as the Fall 2016 Report.
- Other grant sources were the largest total funding source for 5% of respondents, the same rate as the Spring 2017 Report, and a 17% decrease from the Fall 2016 Report.

## NON-GOVERNMENT LARGEST INDIVIDUAL AWARD SOURCE

Private foundations (33%) were most frequently reported as the non-government source of the largest individual award.



### LARGEST INDIVIDUAL AWARD SOURCE TRENDS:

- ↓ Private foundations were the source of the largest individual award for 33% of respondents, a 13% decrease from both the Spring 2017 and Fall 2016 Reports.
- ↓ Community foundations were the source of the largest individual award for 9% of respondents, a 10% decrease from the Spring 2017 Report, and a 13% increase from the Fall 2016 Report.
- ↓ Corporate grants were the source of the largest individual award for 10% of respondents, a 9% decrease from the Spring 2017 Report, and the same rate as the Fall 2016 Report.
- Other grant sources were the largest individual award source for 5% of respondents, the same rate as the Spring 2017 Report, and a 17% decrease from the Fall 2016 Report.

### NON-GOVERNMENT LARGEST AWARD LOGISTICS

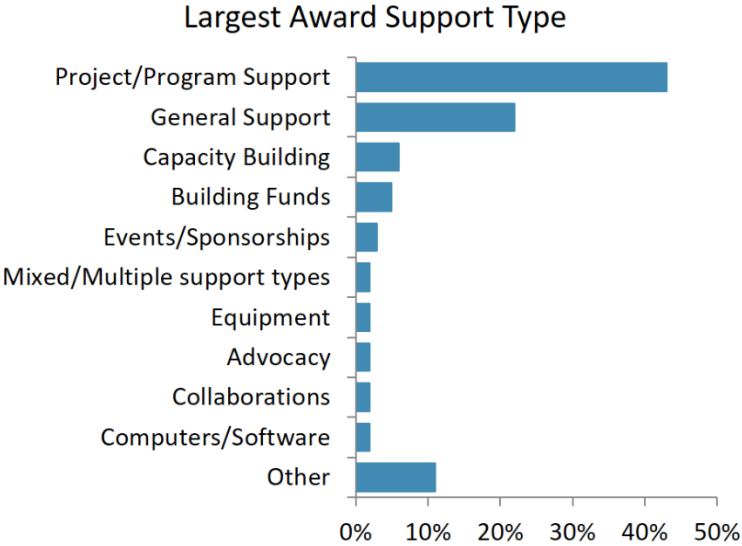
The non-government grant cycle length—from proposal submission to award decision—for the largest award was between one and six months for 73% of respondents. A longer grant cycle of seven months or more was reported by 21% of respondents, while 6% reported a short grant cycle of less than a month.

Once an award decision had been determined, most non-government funders released the award monies within three months of notification (83%). Delayed receipt of award monies, taking four months or more, was reported by 17% of respondents.



### NON-GOVERNMENT LARGEST AWARD SUPPORT TYPE

The largest non-government award received by 43% of respondents was in the form of project or program support, which was followed by general support at 22%. Respondents also reported the largest non-government award type as capacity building (6%), building funds (5%), and events/sponsorships (3%). All other support types were reported at a rate of 2% or less.



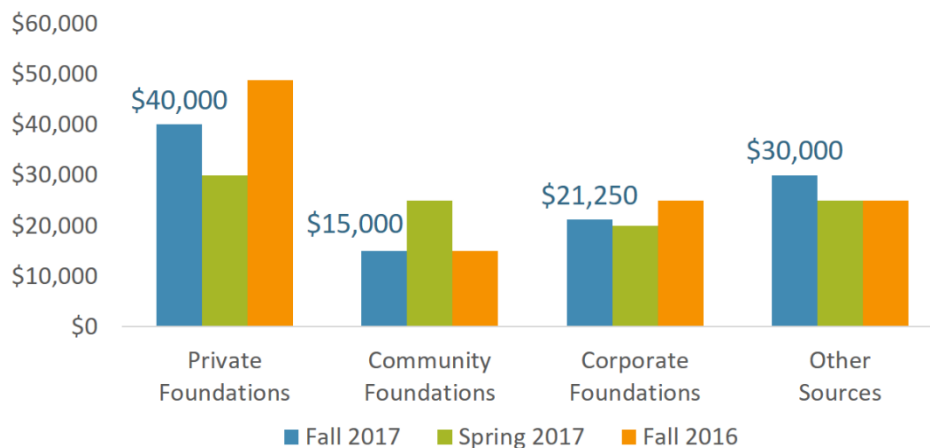


## NON-GOVERNMENT LARGEST INDIVIDUAL AWARD SIZE

The largest individual award median from non-government entities was lower than that from government funders. The largest award median from private foundations was \$40,000. From community foundations, the median award was \$15,000. The median award from corporate foundations was \$21,250, while the median award from “other” sources (including religious organizations, the United Way, donor-advised funds, civic organizations, and tribal funds) was \$30,000. In comparison, the largest individual award median from government funders (an aggregate of Federal, state, and local government) was \$182,500.

Median Largest Award Size	Private Foundations	Community Foundations	Corporate Foundations	Other Sources	Government Funders
Lowest \$	\$400	\$500	\$500	\$250	\$100
Highest \$	\$35 Million	\$3.6 Million	\$25 Million	\$ 2 Million	\$150 Million
Median \$	\$40,000	\$15,000	\$21,250	\$30,000	\$182,500
Average \$	\$290,875	\$97,400	\$268,400	\$182,475	\$1,672,575

Non-Government Largest Award Median



## NON-GOVERNMENT LARGEST INDIVIDUAL AWARD MEDIAN TRENDS:

- ↑ The largest award median for private foundations, \$40,000, showed a 33% increase from the Spring 2017 Report, and an 18% decrease from the Fall 2016 Report.
- ↓ The largest award median for community foundations, \$15,000, showed a 40% decrease from the Spring 2017 Report, and no change from the Fall 2016 Report.
- ↑ The largest award median for corporate foundations, \$21,250, showed a 6% increase from the Spring 2017 Report, and a 15% decrease from the Fall 2016 Report.
- ↑ The largest award median for “other” award sources (including religious organizations, the United Way, donor-advised funds, civic organizations, and tribal funds), \$30,000, showed a 20% increase from both the Spring 2017 and Fall 2016 Reports.

## RESPONDENTS BY LARGEST AWARD SOURCE

As illustrated by *The Fall 2017 State of Grantseeking™ Survey* results, an organization's demographics can be defined by the source of the largest award. The following are typical organizations that received their largest award from each funder type.

### ORGANIZATIONS FOR WHICH PRIVATE FOUNDATIONS WERE THE LARGEST AWARD SOURCE:

Eighty-five percent of respondents from organizations for which private foundations were the largest award source (PFLAS) were directly associated with their organizations as employees (33%) or at an executive level (52%). Nonprofits comprised 92% of PFLAS organizations. PFLAS organizations most frequently reported employing one to five people (31%) or 11 to 25 people (15%). Twenty-nine percent of PFLAS organizations reported annual budgets between \$100,000 and \$499,999; 27% reported annual budgets between \$1,000,000 and \$4,999,999. The median annual budget was \$850,000. Most PFLAS organizations were 11 to 25 years old (24%) or 26 to 50 years old (36%). Forty-three percent were located in a mix of service area types (rural, suburban, and urban), while 34% were located in urban areas. The most frequent geographic service reach for PFLAS organizations was multi-county (27%) or international (15%). Human Services (20%), Arts, Culture, and Humanities (14%), and Education (13%) were the most frequently reported mission focuses. Forty-seven percent of PFLAS organizations reported a service population comprised of over 50% individuals/families at or below the poverty level.

### ORGANIZATIONS FOR WHICH COMMUNITY FOUNDATIONS WERE THE LARGEST AWARD SOURCE:

Eighty-five percent of respondents from organizations for which community foundations were the largest award source (CFLAS) were directly associated with their organizations as employees (26%) or at an executive level (59%). Nonprofits comprised 93% of CFLAS organizations. CFLAS organizations most frequently reported employing one to five people (31%) or six to 25 people (27%). Thirty-four percent of CFLAS organizations reported annual budgets between \$100,000 and \$499,999 and 22% reported annual budgets between \$1,000,000 and \$4,999,999. The median annual budget was \$350,000. Most CFLAS organizations were 11 to 25 years old (23%) or 26 to 50 years old (32%). Forty-three percent were located in a mix of service area types (rural, suburban, and urban), while 27% were located in an urban service area and 24% were located in a suburban service area. The most frequent geographic service reach for CFLAS organizations was multi-county (28%) or multi-city/town (17%). Human Services (25%), Youth Development (13%), Arts, Culture, and Humanities (12%), and Education (12%) were the most frequently reported mission focuses. Fifty-two percent of these organizations reported a service population comprised of over 50% individuals/families at or below the poverty level.

## ORGANIZATIONS FOR WHICH CORPORATIONS WERE THE LARGEST AWARD SOURCE:

Eighty-six percent of respondents from organizations for which corporations were the largest award source (CLAS) were directly associated with their organizations as employees (24%) or at an executive level (62%). Nonprofits comprised 92% of CLAS organizations. CLAS organizations most frequently reported employing one to five people (31%) or six to 25 people (28%). Thirty-four percent of CLAS organizations reported annual budgets between \$100,000 and \$499,999; 25% reported annual budgets between \$1,000,000 and \$4,999,999. The median annual budget was \$510,000. Most CLAS organizations were 11 to 25 years old (26%) or 26 to 50 years old (34%). Forty-seven percent were located in a mix of service area types (rural, suburban, and urban), while 30% were located in urban areas. The most frequent geographic service reach for CLAS organizations was multi-county (26%), one county (12%), or international (12%). Human Services (20%), Education (16%), and Youth Development (10%) were the most frequently reported mission focuses. Forty-six percent of these organizations reported a service population comprised of over 50% individuals/families at or below the poverty level.

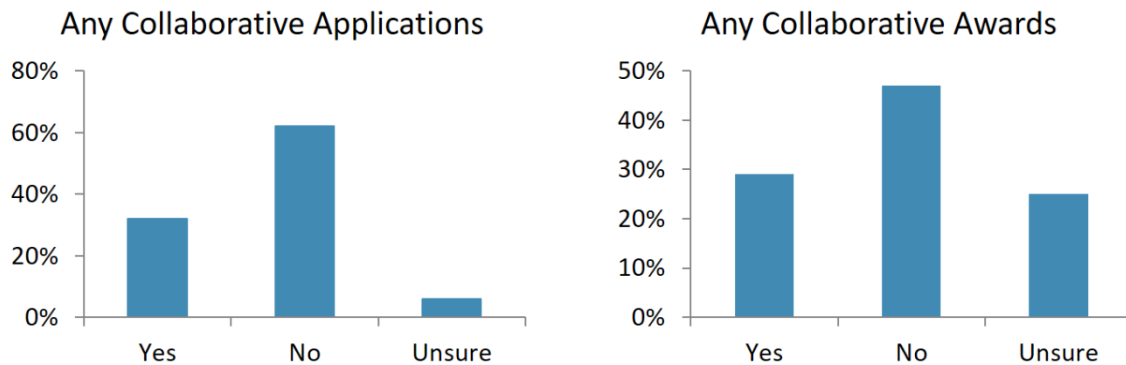
## ORGANIZATIONS FOR WHICH "OTHER" SOURCES WERE THE LARGEST AWARD SOURCE:

Eighty-four percent of respondents from organizations for which "other" sources (including religious organizations, the United Way, donor-advised funds, civic organizations, and tribal funds) were the largest award source (OLAS) were directly associated with their organizations as employees (26%) or at an executive level (58%). Nonprofits comprised 79% of OLAS organizations. OLAS organizations most frequently reported employing one to five people (28%), employing six to 25 people (18%), or being staffed by volunteers (14%). Twenty-five percent of OLAS organizations reported annual budgets under \$50,000, and 33% reported annual budgets between \$50,000 and \$499,999. The median annual budget was \$200,000. Most OLAS organizations were 11 to 25 years old (21%), 26 to 50 years old (24%), or 51 to 100 years old (19%). Forty-seven percent were located in a mix of service area types (rural, suburban, and urban), while 22% were located in suburban areas. The most frequent geographic service reach for OLAS organizations was multi-county (24%), international (17%), or national (12%). Education (18%), Human Services (13%), and Arts, Culture, and Humanities (10%) were the most frequently reported mission focuses. Forty-three percent of these organizations reported a service population comprised of over 50% individuals/families at or below the poverty level.

# COLLABORATIVE GRANTSEEKING

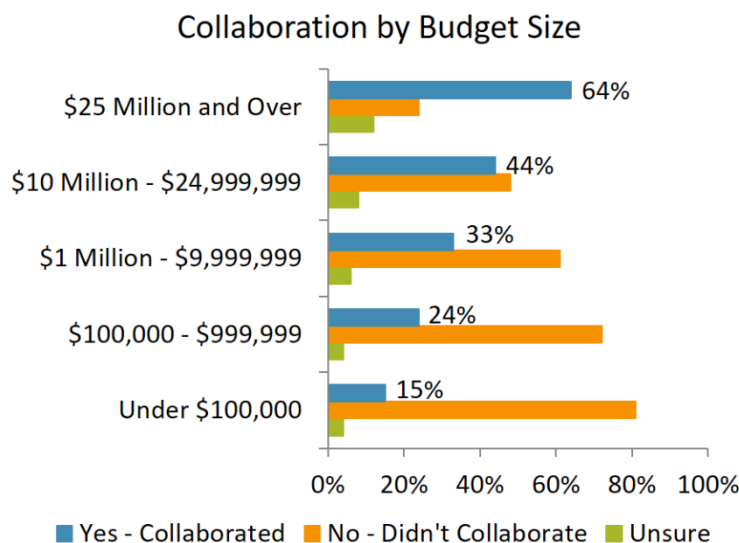
## PARTICIPATION AND AWARDS

Collaborative grantseeking—several organizations joining together to submit grant applications for joint activities or programs—is a trending topic. Most respondents (62%) did not participate in collaborative grantseeking in the first six months of 2017. Twenty-nine percent of those respondents that did submit a collaborative grant application reported winning an award.



## COLLABORATION BY ANNUAL BUDGET

Increases in annual budget size, with the implied increases in staff and infrastructure, had an effect on collaborative activities. Sixty-four percent of organizations with budgets of \$25,000,000 or more participated in collaborative grantseeking in the first six months of 2017, whereas only 15% of organizations with budgets under \$100,000 participated in collaborative grantseeking during this period.



## RESPONDENT COMMENTARY

As always, we asked survey respondents to share their experiences, expertise, and opinions. There were many similarities in comments from those who participated in collaborative grantseeking and those who did not. Many comments focused on the additional staff and time required to manage collaborative grantseeking, and some questioned the cost versus the benefit.

### A SAMPLE OF REPRESENTATIVE COMMENTS FROM RESPONDENTS WHO PARTICIPATED IN COLLABORATIVE GRANTSEEKING FOLLOWS:

- It seems to be more appealing to funders. We like working with other organizations on projects, but it results in more work to develop the project and budget, and much more work to write the grant proposal. It also means we get fewer overall dollars to support the overhead costs for each organization since we can't put the true cost for both organizations in. We can only share resources up to a point.
- It's vitally important and essential. It works.
- Collaborations are difficult to execute without clear and concise expectations and accountability. Generally, they do not result in an increase in successful outcomes for the people we serve. My strongest feelings about collaboration are that funders are requiring more and more applications which include collaborative efforts, yet the funders are not collaborating to achieve impact in communities. Funders each come with their own set of grant expectations, reporting requirements, matching funds, etc., and do not collaborate for the greater good, resulting in duplicate reporting and efforts by grantees.
- I think working collaboratively as service partners is a better approach to meeting the needs of communities, when you're allowed to participate.

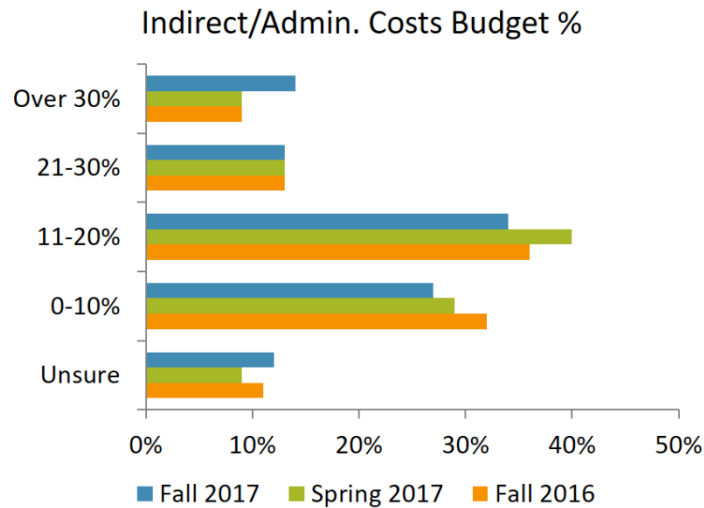
### A SAMPLE OF REPRESENTATIVE COMMENTS FROM RESPONDENTS WHO DID NOT PARTICIPATE IN COLLABORATIVE GRANTSEEKING FOLLOWS:

- I do not think it is effective because it takes more time to coordinate than it is worth.
- I think it's a lot of work for the organizations and takes longer than funders understand to work out details and implement.
- When the collaboration is pre-existing and makes sense for the local community's needs, then collaboration among different organizations makes sense. If collaborations are thrown together to chase after money, then they often don't function well. Funders should build in planning time and funding for communities to develop service partnerships into true collaborations.
- I can see merit in organizational collaboration. However, there is a much higher level of coordination required, and that kind of capacity often does not exist.

# INDIRECT/ADMINISTRATIVE COST FUNDING

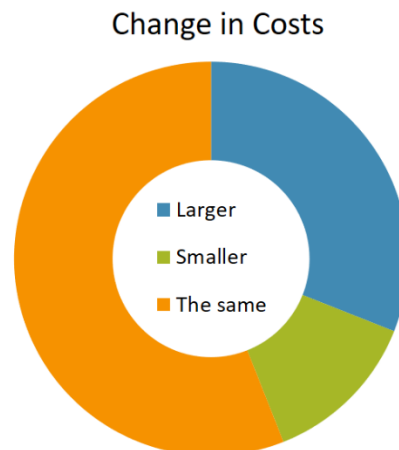
## INDIRECT/ADMINISTRATIVE COSTS AS A PERCENTAGE OF BUDGET

Our respondents generally kept their costs low; 61% reported indirect/administrative costs as 20% or less of their total budgets. Only 27% of survey respondents reported these costs as over 20% of their budgets, while 12% were unsure of the budget percentage of their organization's indirect/administrative costs.



## INDIRECT/ADMINISTRATIVE COST TRENDS

Compared to indirect/administrative costs for the prior year, 56% of respondents reported that these costs had remained the same, while 31% reported that these costs had increased. Indirect/administrative costs decreased for 13% of respondents.



## INDIRECT/ADMINISTRATIVE COST CONTROLS

Respondents were asked, "How did you reduce your indirect/administrative costs?" Over half (51%) reported that they had reduced indirect/administrative costs by eliminating staff, while 31% reported increased reliance on volunteer labor.

Reductions in services and programs (21%), staff hours (21%), staff salaries (19%), and organization hours (11%) reduced indirect and administrative costs. In addition, respondents reduced these costs by participating in space or location sharing (12%) and buying groups (7%), and reducing their organization's geographic scope (5%).

Reduction Technique	Fall 2017	Spring 2017	Fall 2016	Spring 2016
Reduced number of staff	51%	65%	62%	54%
Increased reliance on volunteer labor	31%	29%	29%	32%
Reduced services/programs offered	21%	23%	22%	21%
Reduced staff hours	21%	19%	19%	19%
Reduced staff salaries	19%	16%	18%	17%
Space/location sharing	12%	9%	14%	17%
Reduced organization hours	11%	12%	9%	11%
Buying groups/economy of scale for purchases	7%	5%	7%	13%
Reduced organization geographic scope	5%	3%	7%	4%

### INDIRECT/ADMINISTRATIVE COST REDUCTION/CONTROL TRENDS:

- ↓ Reducing the number of staff was a cost control technique for 51% of respondents, a 22% decrease from the Spring 2017 Report, and an 18% decrease from the Fall 2016 Report.
- ↑ Increasing reliance on volunteer labor was a cost control technique for 31% of respondents, a 7% increase from both the Spring 2017 and Fall 2016 Reports.
- ↓ Reducing services or programs offered was a cost control technique for 21% of respondents, a 9% decrease from the Spring 2017 Report, and a 5% decrease from the Fall 2016 Report.
- ↑ Reducing staff hours was a cost control technique for 21% of respondents, an 11% increase from both the Spring 2017 and Fall 2016 Reports.
- ↑ Reducing staff salaries was a cost control technique for 19% of respondents, a 19% increase from the Spring 2017 Report, and a 6% increase from the Fall 2016 Report.
- ↑ Space or location sharing was a cost control technique for 12% of respondents, a 33% increase from the Spring 2017 Report, and a 14% decrease from the Fall 2016 Report.
- ↓ Reducing organizational hours was a cost control technique for 11% of respondents, an 8% decrease from the Spring 2017 Report, and a 22% increase from the Fall 2016 Report.



- ↑ Participation in buying groups or economies of scale was a cost control technique for 7% of respondents, a 40% increase from the Spring 2017 Report, and the same rate as the Fall 2016 Report.
- ↑ Reducing an organization's geographic scope was a cost control technique for 5% of respondents, a 67% increase from the Spring 2017 Report, and a 29% decrease from the Fall 2016 Report.

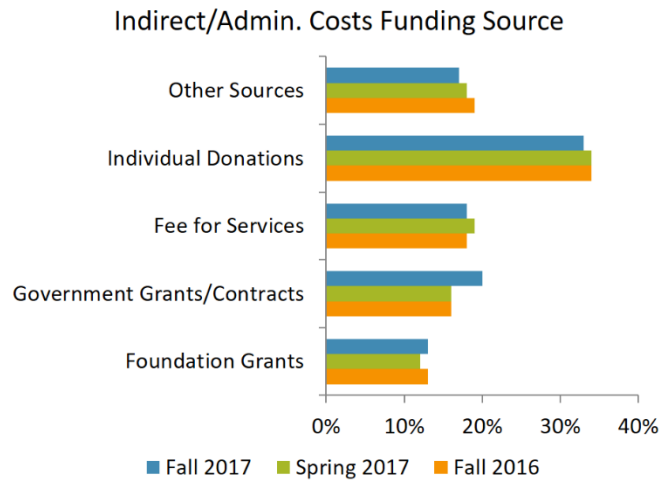
A SAMPLE OF REPRESENTATIVE COMMENTS FROM SURVEY RESPONDENTS FOLLOWS:

- We had a significant downsizing of staff after a major funding source withdrew from our region.
- Our staff took more opportunities to write grants.
- We've combined job duties and reduced staff size through attrition.
- We created a youth job readiness/internship program which helps youth gain customer service and administrative skills to enter the workforce while also providing the organization with general office support.
- We reviewed all administrative costs related to the organization, including building expenses, utilities, phone, internet, and purchasing. We adjusted the thermostat, changed providers, used volunteers to work, deferred maintenance, and basically cut to the bone so that money could go towards programming and services for the increased number of youth we are serving.
- Financial constraints led us to cut our organization's administrative costs, such as staff, office equipment, and tools.
- We simply cut back on things, found a volunteer, or in many cases asked businesses to donate in-kind items.
- It was necessary to cut all three employee's hours to make ends meet due to the low number of grants during that time period.
- Our executive director started doing more of the administrative work.
- We relied more heavily on volunteers, but this reduced our efficacy. We are now going back to paid part-time staff to resolve this.
- Retired staff was replaced with younger, less experienced staff at a lower pay rate.
- We refocused our organization's mission and consolidated some positions.
- We simply looked at every expense that could be reduced or covered without the necessity of a direct cash expenditure and set about making the changes. Through negotiation and new vendor relationships, we were able to reduce about 40% of our previous expenses.



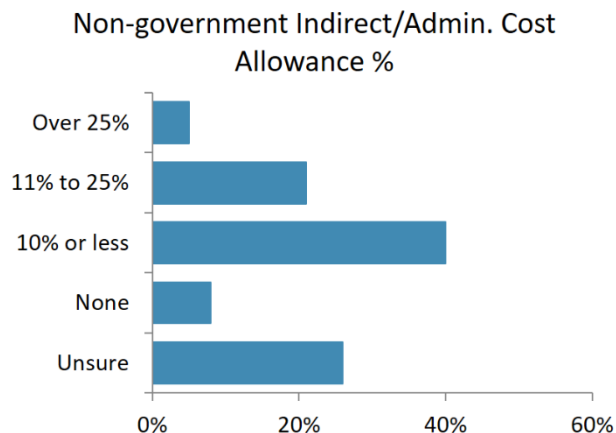
## INDIRECT/ADMINISTRATIVE COST FUNDING SOURCES

Individual donations (33%) were the most frequent source of indirect/administrative funding, while foundation grants (13%) were the least frequent source. Government grants and contracts (20%) and fees for services (18%) were also frequent sources of funding for these costs. Within the “other” sources category (17%), fundraisers, tax revenue, major donors, and general funds were cited as some of the sources of indirect/administrative funding.



## INDIRECT/ADMINISTRATIVE COST FUNDING LIMITATIONS

Respondents reported that non-government funders will generally assist with indirect/administrative costs, although they limit the amount that they are willing to cover. Forty percent of respondents reported an allowance of 10% or less for these costs, and 21% reported an allowance of 11 to 25% for these costs. Eight percent of respondents reported that non-government funders would not cover indirect/administrative costs, while 26% were unsure of the coverage level. Only 5% of respondents reported that over 25% of these costs were paid by non-government funders.





Many respondents across all focus areas stated that there was limited funding for their specific mission. From a big-picture perspective, respondents told us that there is a greater need for non-restricted funding, regardless of mission focus. Many respondents also referenced the changing political landscape and the proposed state and Federal funding reductions and resulting confusion. In addition, frustration with greater expectations placed on fewer staff members, funder practices perceived as arduous, and a sense of disconnect between organizations and funders, the government, and the community as a whole were frequently called out. Respondent commentary on grantseeking challenges stretched to 108 pages.

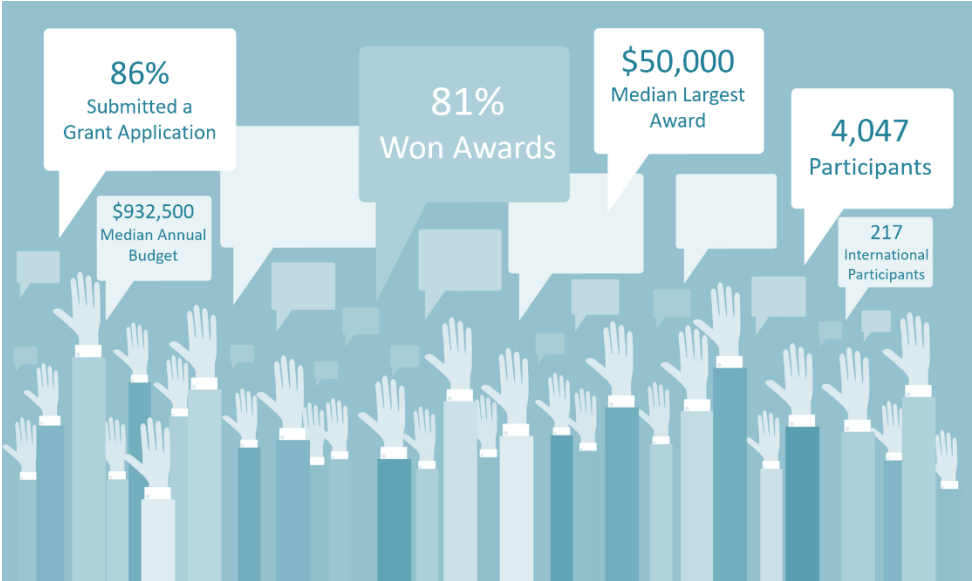
A SAMPLE OF REPRESENTATIVE COMMENTS FROM SURVEY RESPONDENTS FOLLOWS:

- There is a lack of alignment between what grantmakers are interested in funding, and the true needs of our organization.
- With the politicians in Washington D.C. fighting over the budget, Federal programs are not being started in a timely manner.
- Varying online requirements and processes are a challenge.
- There aren't enough REAL grants for REAL money that do not require matching funds and that really help organizations, instead of being how some foundation can get the most publicity.
- We are in a county that is woefully under-resourced, with only a handful of foundations with limited assets. Foundations in neighboring counties cite "geographic boundary" as the reason for not funding our organization.
- Current political conditions are challenging.
- The competition seems greater, although relationship building definitely makes a difference. Funder requirements, such as those at the NEA, seem more ridiculous than ever for smaller amounts of money.
- Local foundations are still working under the wrong assumption that the 5% rolling average is a maximum rather than a minimum. Too many are still hung up on overhead. Too many foundations have hired outside web-based platforms to create an online process and it's written and created by people who have never written a grant proposal before. It's unsettling.
- Challenges include the economy, political unease, a lack of staff time, finding aligned funders, and a lack of previous relationship building.
- The greatest challenge is the anti-intellectualism, anti-education mindset of Federal and state legislatures and the ensuing budget cuts for research of any kind.
- There has been an increase in non-grantwriting responsibilities for development staff.
- State and local grants require the same work for small awards as for large awards, making the process very difficult for small organizations.

- Overall, funding sources are decreasing. The political climate of cutting funds for social services and the potential for change in donor incentives is impacting giving all around. Some of our donors depend on tax incentives for giving and the confidence in this benefit is decreasing, which requires more fund seeking through grants or contracts with state agencies. However, these are also decreasing, with added restrictions on service providers (professional licensing or accreditation requirements), and increased or changing service standards that require more non-face-to-face time with clients (paperwork, reporting, care coordination, engagement, etc.).
- Our biggest challenge is that our organization does not fit neatly into the boxes most foundations set up around their giving criteria.
- The process is time-consuming. Each grant requires individual attention, and there is no guarantee the organization will receive a grant, so it requires a lot of staff time. Then, interim and final reports also take an enormous amount of time.
- We are in a political and social moment where grassroots nonprofits need support to respond to the fact that many of our democratic institutions—not to mention our own communities—are under direct attack. Unfortunately, many funders are playing a "wait and see" approach, or creating insurmountable barriers to accessing rapid response and emergency funding.
- In these times of great human and environmental crisis, new funding in the arts is likely to be limited or non-existent; hopefully, the stalwart supporters will maintain and not diminish their support. Increases are not forthcoming despite rising budgets.
- Many foundations have restructured. Some foundations from which we have received funding for specific programs for several years have shifted funding priorities and we no longer fit within their funding categories. Changes in funder deadlines also cause challenges, as it changes when we can expect funds, which may fall within a future fiscal year. Competition is a challenge and more funders are going towards no unsolicited proposals, which makes it more difficult.
- There are too many organizations fighting for too little money.
- This seems to be a popular question. This is the third time in only a few weeks I have been asked. Challenges: Funders don't know what they want to support. Funders are hung up on arbitrary ideas about the percentages allocated to general operations. Funders provide impossible media to use for grant applications (Excel sheets with incorrectly designed formulas, narratives required on Excel spreadsheets, outmoded PDF formats, applications that require personal social security numbers, Word documents beset by bugs, etc.). Funders don't comply with their own guidelines. For instance, they insist on advance approval of all publicity material but then don't respond in a timely manner. Funders want to give money to an organization for pet projects that may not align with the organization's mission rather than awarding funding where it is needed.

- In addition to not really having volunteers with grantwriting skills and experience, we don't have the infrastructure to support the data gathering and reporting required of larger grants.
- Government funding is decreasing for organizations who have a high percentage of their budget in government grants and the concern is that the competition for private foundation and DAF contributions will be significantly increased.
- We are an all-volunteer organization, and the board does the grantwriting, so we have a lack of time and staff.
- Many organizations apply for funding from grantmakers. The challenge is both competition and developing a relationship with funders to determine the fit and likelihood of support.
- Flash fire social justice fundraising is dominating the spectrum (hooray) and it is also making it hard for issues that are more chronic and ongoing to maintain their urgency. Hopefully, what we will see from the trend is that all social justice issues win and that more people are donating, but hopefully not only to big national organizations.
- As an established agency, we are frequently passed over in favor of a new program or territory. Also, creating new relationships with funders has been a challenge. Many local funders seem overwhelmed by the requests they currently have and are unwilling to take on another agency or, in the case of long-time funding partners, unable to increase award amounts.
- It seems to be more who you know than the quality of the programs provided to the underserved.
- The greatest success has come through relationships with funders; the challenge is the time needed to foster those relationships and the competition for funders' time and attention.
- Writing grants is hard work and a specific skill. It's very time-consuming, and very easy to make a mistake.
- Decisions on state applications for funding take six months, which leaves the organization in a budgetary state of uncertainty.
- While we continue to seek new opportunities, we have found that the pool of potential grantmakers has grown smaller over time. The potential for losses in Federal pass-through funds and state funding for human services continues to be a concern, due to political and economic conditions in the U.S.
- Funders sometimes ask for a ridiculous amount of information relative to the amount of funding they are giving out. Providing all this information takes time, which then counts as admin/indirect/overhead costs. Then they penalize you for spending too much of your income on "overhead".

# RESPONDENT DEMOGRAPHICS



## ORGANIZATIONAL AFFILIATION

Of the respondents, 90% were directly associated with the organizations they represented as executives (47%), employees (36%), board members (5%), or volunteers (3%). Consultants (5%) and government employees (5%) comprised the remaining 10% of respondents.

## TYPE OF ORGANIZATION

Most respondents (95%) represented nonprofit organizations (75%), educational institutions (15%), or government entities and tribal organizations (5%). The remainder (5%) included businesses and consultants. Among respondents from educational institutions, 14% represented K-12 schools and 86% represented two- or four-year colleges and universities.

## ORGANIZATIONAL AGE

Organizations ten years of age or under comprised 19% of respondents. Organizational ages of 11 to 25 years were reported by 21% of respondents, while 29% reported organizational ages of 26 to 50 years. Organizations of 51 to 100 years of age comprised 17% of respondents, and 14% of respondents were from organizations over 100 years of age.

## ANNUAL BUDGET

Respondent organizations reported the following annual budgets: less than \$100,000 (15%), between \$100,000 and \$499,999 (23%), between \$500,000 and \$999,999 (9%), between \$1 million and \$4,999,999 (22%), between \$5 million and \$9,999,999 (7%), between \$10 million and \$24,999,999 (8%), and \$25 million and over (17%). The median annual budget of respondent organizations was \$932,500.

## STAFF SIZE

One to five people were employed by 24% of respondent organizations. Twenty-one percent of respondent organizations employed six to 25 people, while 11% employed 26 to 75 people. Nine percent of respondent organizations employed 76 to 200 people, and 20% employed over 200 people. Less than one full-time equivalent employee was reported by 6% of respondents. All-volunteer organizations comprised 8% of respondents.

## STAFF ETHNICITY

Respondents were asked, "What percentage of your organization (staff, management, and board) self-identify as persons of color?" For 38% of respondents, less than 10% of their organization was comprised of persons of color. Organizations reporting 11% to 50% persons of color comprised 34% of respondents, and 14% of respondents were from organizations with 51% or more persons of color on their staff, management, or board. This question was not applicable for 13% of respondents.

## PRIMARY GRANTSEEKER

Most respondent organizations relied on staff members (74%) to fill the role of primary grantseeker. Board members (7%), volunteers (5%), and contract grantwriters (7%) were also cited as the primary grantseeker. Seven percent of respondent organizations were not engaged with active grantseekers.

## LOCATION

Within the United States, respondents came from all 50 states, the District of Columbia, and two territories. In addition, respondents from eight Canadian provinces participated, and 160 respondents were from countries outside of the United States and Canada.

## SERVICE AREA

*The State of Grantseeking Report* utilizes the Census Bureau's population-based area classification. Rural service areas containing fewer than 2,500 people were reported by 7% of respondents. Seventeen percent of respondents reported cluster/suburban service areas containing between 2,500 and 50,000 people. Urban service areas containing over 50,000 people were reported by 32% of respondents. In addition, 44% of respondents reported a service area comprised of a combination of these population-defined areas.

## GEOGRAPHIC REACH

Organizations with an international, continental, or global geographic reach comprised 17% of respondents, while organizations with a national geographic reach comprised 9%. Multi-state organizational reach was reported by 11% of respondents, and 11% reported an individual-state reach. A multi-county reach was reported by 24% of respondents, while a one-county reach was reported by 12%. Eight percent of respondents reported a multi-city organizational

reach, while 6% reported a geographic reach within an individual city. In addition, 2% of respondents reported a reach comprised of other geographic or municipal divisions.

## POVERTY LEVEL

Respondents were asked, "What percentage of your service recipients/clients/program participants are comprised of individuals/families at or below the poverty level?" Service to individuals or families in poverty was reported at a rate of 76% or more by 30% of respondents, while 15% reported serving those in poverty at a rate of 51% to 75%. Service to individuals or families in poverty at a rate of 26% to 50% was reported by 16% of respondents. Service to those in poverty at a rate of 11% to 25% was reported by 16% of respondents, while 10% reported a service rate of 10% or less to those in poverty. This question was not applicable for 14% of respondents.

## MISSION FOCUS

The 25 major codes (A to Y) from the NTEE Classification System, developed by the National Center for Charitable Statistics, were utilized as mission focus answer choices. Each mission focus choice had some respondents.

Almost half (48%) of the respondent organizations reported one of three mission focuses: Human Services (20%), Education (17%), and Arts, Culture, and Humanities (11%). The next most frequent mission focus responses were Health (9%), Youth Development (6%), Community Improvement (5%), and Medical Research (4%). Housing and Shelter, Environment, and Animal-Related were each reported by 3% of respondents. Food, Agriculture, and Nutrition, Public and Society Benefit, Civil Rights, and Religion-Related missions were each reported by 2% of respondents. The remaining mission focuses, reported at a rate of under 2% by respondent organizations, were aggregated into the category of Other (11%).



## METHODOLOGY

*The Fall 2017 State of Grantseeking™ Report* presents a trending, ground-level look at the grantseeking experience, and focuses on funding from non-government grant sources and government grants and contracts. The information in this report, unless otherwise specified, reflects recent and trending grantseeking activity during the first six months of 2017 (January through June). For the purpose of visual brevity, response rates are rounded to the nearest whole number; totals will range from 99% to 102%.

*The Fall 2017 State of Grantseeking™ Survey* was open from August 15, 2017, through September 30, 2017, and received 4,047 responses. The survey was conducted online using Survey Monkey, and was not scientifically conducted. Survey respondents are a nonrandom sample of organizations that self-selected to take the survey based on their affiliation to GrantStation and GrantStation partners. Due to the variation in respondent organizations over time, using focused survey results, for example reports by mission focus or budget size, may provide a more beneficial resource for your specific organization.

This report was produced by [GrantStation](#), and underwritten by [Altum/PhilanTrack](#), [Foundant-GrantHub](#), the [Grant Professionals Association](#), [GrantVantage](#), and [TechSoup](#). In addition, it was promoted by many generous partner organizations via emails, e-newsletters, websites, and various social media outlets. Ellen C. Mowrer, Diana Holder, and Juliet Vile wrote, edited, and contributed to the report.

For media inquiries or permission to use the information contained in *The Fall 2017 State of Grantseeking™ Report* in oral or written format, presentations, texts, online, or other contexts, please contact Ellen Mowrer at [ellen.mowrer@grantstation.com](mailto:ellen.mowrer@grantstation.com).

### STATISTICAL DEFINITIONS

- Descriptive statistics: The branch of statistics devoted to the exploration, summary, and presentation of data. The State of Grantseeking Reports use descriptive statistics to report survey findings. Because this survey was not scientifically conducted, inference—the process of deducing properties of the underlying population—is not used.
- Maximum: The highest value in a set of numbers.
- Mean: The sum of a set of numbers, divided by the number of entries in a set. The mean is sometimes called the average.
- Median: The middle value in a set of numbers.
- Minimum: The lowest value in a set of numbers.
- Mode: The most common or frequent number in a set.
- Frequency: How often a number is present in a set.
- Percentage: A rate per hundred. For a variable with  $n$  observations, of which the frequency of a certain characteristic is  $r$ , the percentage is  $100 \cdot r/n$ .
- Population: A collection of units being studied.

## ABOUT GRANTSTATION



Serving over 30,000 individual grantseekers and hundreds of partners that represent hundreds of thousands of grantseekers, [GrantStation](#) is a premiere suite of online resources for nonprofits, municipalities, tribal groups, and educational institutions. We write detailed and comprehensive profiles of grantmakers, both private and governmental, and organize them into searchable databases (U.S., Canadian, and International).



At GrantStation, we are dedicated to creating a civil society by assisting the nonprofit sector in its quest to build healthy and effective communities. We provide the tools for you to find new grant sources, build a strong grantseeking program, and write winning grant proposals.

- Do you struggle to identify new funding sources? We've done the research for you.
- Does the lack of time limit your ability to submit grant requests? We have tutorials on creating time and making space for grant proposals.
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## ABOUT THE UNDERWRITERS



Altum is an award-winning software development and information technology company with expertise in health information technology (IT), grants management, and performance management solutions. Since 1997, Altum has provided innovative software products and services to both philanthropic and government organizations.

Altum offers industry-leading grants management solutions. Altum's products include proposalCENTRAL®, an online grantmaking website shared by many government, nonprofit, and private grantmaking organizations; PhilanTrack® for Grantmakers, an online grantmaking website that streamlines the grants process for grantmakers and their grantees; and PhilanTrack® for Grantseekers, an online solution that helps grantseeking organizations better manage the grants they're pursuing.

Our work has received distinction and awards including: the Deloitte Fast 50 award two years in a row, the Inc. 5000 list for five years including 2016, an Excellence.gov finalist, and recognition as a 2015 Computerworld Premier IT Leader.

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Nurturing What's Possible™



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[GrantHub](#) is an easy-to-use, low cost, grant management solution. Designed to manage your pipeline of funding opportunities, streamline proposal creation, and track your grant deadlines, reports, and tasks—GrantHub provides convenient, secure access to centralized grant and funder information. GrantHub is a simple and affordable solution for nonprofit organizations and [grant consultants](#).






**Are you still using a combination of spreadsheets, calendars, files, and manual tracking systems?** There's a better way. GrantHub manages all your tasks, applications, reports, and important grant documents. Plus, it sends you email reminders for your application deadlines and report due dates!

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GrantHub is an intuitive grant management solution specifically designed to increase your efficiency and funding success by:

- managing grant opportunities and pipelines;
- tracking tasks / deadlines / awards;
- streamlining proposal creation and submission; and,
- providing convenient, centralized access to grant and funder information.

GrantHub helps you focus on your mission and save time by:

				
Managing your funders and grant opportunities	Tracking tasks and grant deadlines	Streamlining the creation of new proposals	Keeping a central repository of important grant documents	Tracking, reporting, and communicating grant fundraising reports

GrantHub—an online grant management solution for grantseekers—is powered by [Foundant Technologies](#), creator of the powerful online grant management system for grantmakers, Grant Lifecycle Manager (GLM), and the complete software solution for community foundations, CommunitySuite.



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