

Private Foundation Grantseeking

Presented by University Advancement

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TEXAS STATE UNIVERSITY
The rising STAR of Texas

UNIVERSITY ADVANCEMENT | TEXAS STATE UNIVERSITY | 10100


Today's Presenters

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- Assistant Vice President for University Advancement



Charles Vestal, M.B.A., M.A.

- Associate Director of Foundations

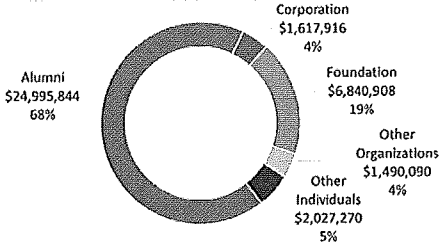

2

University Advancement Mission Statement


University Advancement will continue to develop connections with alumni, parents, friends, and organizations that further advance excellence in teaching, research and scholarship.

FY2017 Fundraising Sources: \$36,972,028





Source	Amount	Percentage
Alumni	\$24,995,844	68%
Foundation	\$6,840,908	19%
Other Individuals	\$2,027,270	5%
Other Organizations	\$1,490,090	4%
Corporation	\$1,617,916	4%


4

What Is a Foundation?


- IRS-designated 501(C)3 corporation
- Philanthropic by definition
- Volunteer Board of Directors
- No staff or paid staff
- By law, must give away 4.8% of the value of their assets each year
- Example: Meadows Foundation

Algur H. Meadows


Corporate Foundations

- Harder to evaluate
- May give only where company operations are located
- Typically "cause-related marketing"
- Employee volunteerism may be pre-requisite to their donating gifts
- Fewer rules, more discretion, faster acting, operating on a "handshake"


6


Researching Foundations

- Your discipline's press, newsletters, journals, fellow faculty
- Some foundations have websites
- Alkek Library's portal to Foundation Directory Online Professional, a service of NYC's Foundation Center
- Look up past IRS 990 returns, which specify who received past grants




7

Determining 'Fit'



In declining order:



- Foundation's program officer tells you what to submit
- Review list of institutions already receiving gifts (IRS-990 or foundation's website)
- Priority areas as described by foundation's website or literature
- Priority areas as shown in a third-party database



8


Look for Signs You Shouldn't Apply

- They are currently giving to Texas State
- Another PI or VPUA has already applied within a 12-month period, and they don't allow multiple submissions
- They do not accept 'unsolicited requests' or 'by invitation only'
- They give only to a certain geography (Houston) or set of donees (only K-12)
- Their once-a-year deadline just passed
- Directors' alma maters already receive all their higher education giving





9

"No Unsolicited Requests" "By Invitation Only"




- Some foundations give only to pre-determined list of grantees (same donees on every year's IRS-990)
- Larger foundations may direct their program officers to proactively identify donees to submit
- You may need to leverage an existing relationship to establish personal contact (board member or influencer)
- Sometimes you can vet an idea with a foundation program officer; larger ones may have staff to answer your questions
- Before contacting a foundation, check in first with Charles Vestal in University Advancement: cvestal@txstate.edu
- A Gift Officer may facilitate an introduction to improve your chances of success
- If you call, be very specific, focused, and pose relevant questions



10

"Limited Submissions"

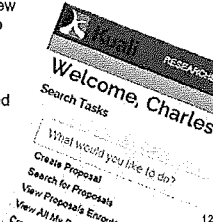

- *"A limitation placed by the funder on the number of proposals which can be submitted for consideration of funding under a specific sponsored program."*
- Most traditionally offered limited submissions are publicized by ORSP--Office of Research and Sponsored Programs.
- Who decides on the proposal to be submitted?
 - Within department: Chair decides
 - Within college: Dean decides
 - Between colleges: AVPR decides
 - If private sponsor, VPUA may choose to decide after consulting Deans, Provost, others
- Factors: \$ amount, alignment with foundation interests, university fundraising priorities listed in 2017-2023 University Plan.



11

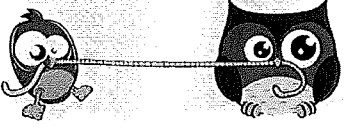
Process for Faculty to Submit

- Obtain clear, written authorization from your Chair and Dean (a requirement)
- Involve your college's Research Coordinator
- Register proposal notification in Kual Research <http://www.txstate.edu/research/>
- Office of Research and Sponsored Programs will review your intent and may request to meet with you
- If the sponsor you identified is philanthropic, University Advancement may get involved to help you

12

Register Your Proposal in Kual Research Earlier Rather than Later



- Especially if applying to a private foundation
- Waiting to register on purpose is risky; you may end up not getting permission to submit at the 11th hour
- Someone else may have already received permission to submit and have priority.

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Role of University Advancement (UA)




- Your Kual Research registration sends an email to UA indicating you are seeking foundation funding:
 - Attention Office of Sponsored Programs
 - Proposal No. 123 has been created in Kual Research.
 - Proposal Initiator: Jane Doe
 - Department: XYZ Studies
 - Sponsor: Joe Blow Charitable Foundation
 - Proposal Title: Researching Student Success Outcomes
 - Due Date: 11/30/2017
 - Principal Investigator: Maria Lopez
- If no conflicts with ongoing UA cultivation, and no "limited submission" policy from the foundation, UA will likely authorize that foundation to be applied to by you and other researchers

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When Might UA Not Approve Your Foundation Request?

- When VPUA staff are actively cultivating this foundation for a crucial university need
- When the foundation is already in a cycle of giving to the university
- When the foundation requires "limited submission"—only 1 request per institution
- When there is clearly no fit, making the request ill-advised



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Determining Dollar Request



- If no giving history, request median or less
- See what similar universities have obtained (review foundation's latest IRS return)
- Carefully review allowable budget items—and visit with your Research Coordinator
- Effective stewardship of current donation can lead to larger requests down the road:

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Leveraging Personal Relationships

Foundations may be influenced by:

- Their board members
- Program officers or other staff
- Organizations they give to
- Institutions they partner with
- Other foundations providing referrals

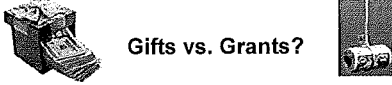
Influencers you may already know:

- Alumni with connections
- Researchers who procured past grants
- Others?



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Gifts vs. Grants?




- Many private foundations don't distinguish between the terms and may use them interchangeably.
- The distinction is more important internally at Texas State.
- A gift is a donation with the expectation of nothing significant of value in return. Unrestricted gifts may be spent at our discretion; restricted gifts are designated for a specific purpose (e.g., endowment, program expense, or research).
- Grants require specific budgets, and outputs may be reviewed by the sponsor who may retain proprietary rights; unexpended funds may be returnable, and specific deliverables are required.
- As a public institution, Texas State is especially concerned with appropriately classifying our funding.

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Requesting TRIP Matching (Texas Research Incentive Pgm.)



- For Emerging Research Universities
- Leverages private gifts for enhancement of research productivity and faculty research activities
- PIs must name private foundation or corporation in Quali Research registration routed to Univ. Advancement
- Must be for **research**, including: endowed chairs & professorships; facilities, equipment, programs; graduate research stipends / fellowships; and undergraduate research support
- \$100K-\$999,999 @ 50%; \$1M-\$1,999,999 @ 75%; \$2M-\$10M @ 100%
- If approved by VPUA, PI writes, submits proposal & budget
- If a gift is made, University Advancement submits TRIP match request; 2-year turnaround on decision
- If matched, 90% to dept., 10% to univ. research fund




19

Seeking Endowed Gifts

Endowment as of 09/01/2017:
\$186,676,441


Endowment gifts are critical to achieving National Research University Fund status.
Minimum levels required to establish...

- Undergraduate Scholarships: \$25,000
- Endowed Research Programs: \$25,000
- Endowed Presidential Scholarships: \$50,000
- Graduate Fellowships: \$100,000
- Professorships: \$600,000
- Chairs: \$2,000,000




20

Writing for a Foundation Audience




- Follow their directions exactly
- Just answer their questions—less is more
- Larger foundations may offer online submission websites with text boxes, word counts
- If no format, submit a generic **"common application"**
- Foundations expect a different writing style than academic papers
- You are your project's "champion"
- No citations / footnotes
- Avoid acronyms, jargon, terms of art
- Lay reviewers are not conversant in your field
- Avoid attachments, brochures, videos unless requested




21

Understanding Funders' Point-of-View




- They see themselves "moving the needle" on social change / solving problems
- Their job is to give money away; your proposal can help them if it is aligned with foundation purpose
- The program officer wants to "champion" your proposal as an asset to their portfolio
- They don't want to receive inappropriate proposals
- They don't want to waste your time or theirs
- They don't like surprises and expect honesty
- If you receive a gift and do everything right (reporting etc.), your reliability opens door to future gifts




22

What Happens After Submission?



- If rejected, you may get no response, an email, or letter
- If accepted, you may receive a donor agreement to sign and send back; a Texas State University MOU (memo of understanding) will be created—see University Advancement
- If you receive gift, don't forget to schedule your **required reporting—you are responsible for it**
- If your project experiences significant changes (e.g., 10%-plus budget increase), communicate that to the foundation; they appreciate proactive honesty
- Even if a foundation doesn't require a post-report, our university still requires it. University Advancement is happy to assist you with report creation and submission




23

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24