

Civil Air Patrol

CAP Fundraising Made Easy!



Module #3

The Higher Hanging Fruits (aka Restricted Funding)

August 31, 2017
San Antonio, TX



Restricted Funding

What are Restricted Funds?

- Restricted funds are those revenues on which the **SOURCE IMPOSES A RESTRICTION** on what expenses these revenues can fund.
- A CAP Unit receiving such funding is *required* to keep good records and faithfully abide by those restrictions.
- *Failure to faithfully observe such restrictions may result in a demand by the SOURCE to return such improperly used funds to them!*



Restricted Funding

- In some cases, the SOURCE will also require that the recipient of Restricted Funds file one or more reports detailing precisely how their Restricted Funding was spent in accordance with the stated restrictions.

In the next several slides, let's talk in some detail about **SOURCES OF RESTRICTED FUNDS** and how to manage such funding.



Restricted Grant Sources

Company–Sponsored Foundations

- These are foundations that have been set up by major companies to handle the details of their philanthropic giving.
- As examples, think of the following well-known names:
 - Walmart → Walmart Foundation
 - General Motors → GM Foundation
 - ExxonMobil → ExxonMobil Foundation



Restricted Grant Sources

Company–Sponsored Foundations

- **May be geographically focused:**
 - **On areas with the sponsor company’s operations**
 - **On one or more specific states**
 - **Nationally**
- **Look for “focus area” alignment with:**
 - **Aerospace Education / STEM**
 - **Youth Development / Youth Mentoring**
 - **Emergency Services**



Restricted Grant Sources

Independent or Private Foundations

- These are foundations set up by individuals to handle the details of their philanthropic giving.
- As examples, think of the following well-known names:
 - W.K. Kellogg Foundation
 - The Kresge Foundation
 - Doug and Maria DeVos Foundation
- What others can you think of?



Restricted Grant Sources

Independent or Private Foundations

- **May be geographically focused:**
 - **On *specific* areas within a given state(s)**
 - **On one or more specific states**
 - **Nationally**
- **Look for “focus area” alignment with:**
 - **Aerospace Education / STEM**
 - **Youth Development / Youth Mentoring**
 - **Emergency Services**



Restricted Grant Sources

Community Foundations

- These are local foundations, as the name implies.
- They receive donations from local sources of philanthropic funding and then handle the details of local philanthropic giving.
- *They always focus geographically in their local communities as required by their mission statement.*
- Community Foundations will only make grants to 501(c)3 organizations that serve the geographic area and meet the “focus areas” that the mission statement requires.



Restricted Grant Sources

How to Locate Community Foundations In Your Area

Go to:

<https://www.cof.org/community-foundation-locator>

From this page, you can navigate to a listing of the Community Foundations located in any state in the U.S.!

Let's step through a Michigan Community Foundation:



Community Foundations

Michigan

[community foundations](#)

Find your local Community Foundation

About Us

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Find Your Local Community Foundation

Council of Michigan Foundations

A communication of Michigan Community Foundations' Ventures, a supporting organization of the Council of Michigan Foundations, with support from the W.K. Kellogg Foundation, and the C.S. Mott Foundation, and community foundations.

© 2003 Michigan Community Foundations' Ventures

There's so much more we'd like you to know.

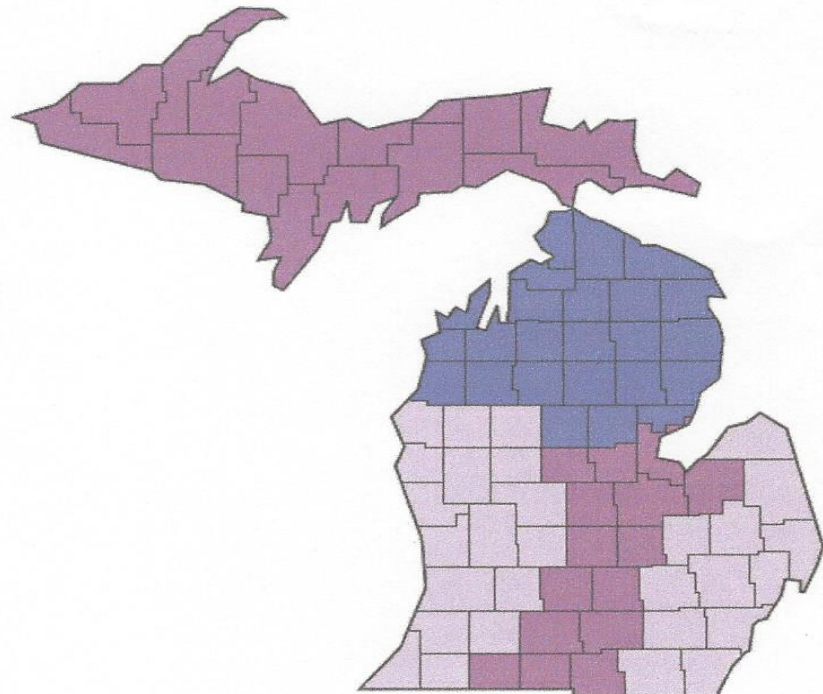
We welcome the opportunity to work with you and your advisor to fulfill your charitable objectives and community interests.

Click a region on the map at right and then search by county to find community foundations serving each county.

An alphabetical listing of all Michigan community foundations is also available.

* [Central Michigan](#)
[Eastern Michigan](#)
[Northern Michigan](#)
[Upper Peninsula](#)
[Western Michigan](#)
[Entire List](#)

[Other Links](#)





Community Foundations

Michigan

[community foundations](#)

Find your local Community Foundation

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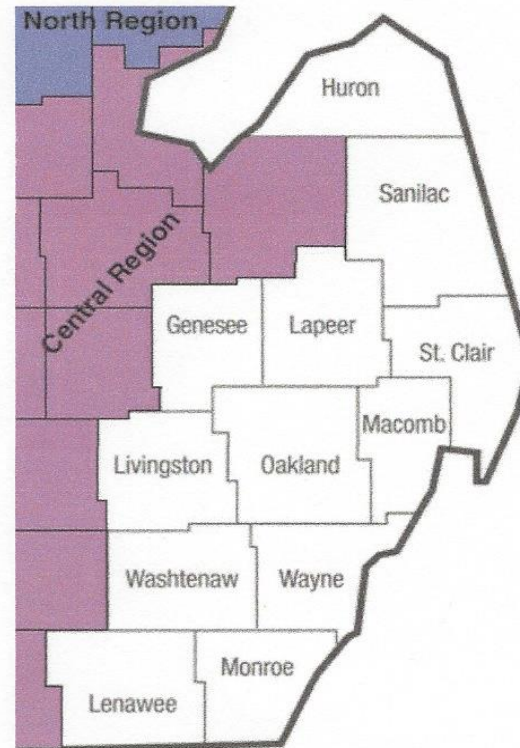
© 2003 Michigan Community Foundations' Ventures



Eastern Michigan

Click on a county to see community foundations serving that county..

[\(Return to main map\)](#)



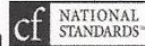


Community Foundations

[top]

* Oakland County

Community Foundation for Southeast Michigan



333 W. Fort Street Suite 2010
Detroit, MI 48226-3134
Phone: (313) 961-6675
Fax: (313) 961-2886
Email us at: cfsem@cfsem.org
www.cfsem.org

Community Foundation of Greater Rochester



127 W. University Drive
P.O. Box 80431
Rochester, MI 48307-1973
Phone: (248) 608-2804
Fax: (248) 608-2826
Email us at: cfound@cfound.org
www.cfound.org

* Four County Community Foundation



231 E. St. Clair
P.O. Box 539
Almont, MI 48003-1110
Phone: (810) 798-0909
Fax: (810) 798-0908
Email us at: info@4ccf.org
www.4ccf.org



Community Foundations

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4ccf.org

Four County Community Foundation

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Communities and schools eligible for FCCCF grants and scholarships. Students should refer to [Scholarships](#) to see what grants are available in specific school districts.


Connecting Lapeer, Macomb, Oakland and St. Clair Counties



Community Foundations

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4ccf.org/deadlines



Helping Our Community Grow

Community Applications Scholarships Application Deadlines Give Now

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Deadlines


Community Grant Applications

- Jan. 1
- April 1
- July 1
- Oct. 1

Scholarship Applications

- April 1

For information or questions on Grant Applications email Micaela Boomer at program@4ccf.org or call the office at [\(810\) 798-0909](tel:8107980909).





Community Foundations



Deadline: January 1, April 1, July 1 and October 1

Four County Community Fund

APPLICATION

Applications are for a variety of charitable purposes, for non-profits, public schools and governmental agencies.

Healthy Seniors/Healthy Youth

APPLICATION

Applications are for projects to promote health or provide treatment for health care for senior citizens and youth. Please review the [Priorities](#).

21st Century Education Fund Application

APPLICATION

Application request up to \$500. These grants are to provide classroom teachers with grants to benefit students. The grants are intended to fund projects in their entirety.

Kellogg Group Applications

APPLICATION

Applications are for group grants which provide services to **YOUTH**. Priority will be given to projects which address the challenges identified in their recent Needs Assessment Survey. Top priorities include: Texting While Driving, Reckless Driving, Peer Pressure, Lack of Technology Resources, and Binge Drinking.



Restricted Grant Sources

Federal, State, & Local Governments

- These are grants that are funded by actions of various governmental bodies that creates such funding opportunities in their approved budgets.
- In general, such grants tend to be:
 - Very substantial in size (at least Federally!)
 - Subject to revision by the granting body.
 - Very paperwork intensive to submit.
 - Very paperwork intensive to report back on.



Grant Funding Tips

A New Grantseeking Resource!

- **The National Development Team has subscribed to a database of over 100,000+ U.S.-based foundation grantmakers.**
- **This database can provide a great amount of helpful detailed data needed to focus on potential grantmaking candidates for your CAP Unit's specific needs.**
- ***The National Development Team can assist any CAP Unit in focusing their grantseeking efforts!***



Grant Funding Tips

How to Apply for ANY Grants

- When applying for ANY GRANT from *any* of the previously mentioned grantmaking sources, you **MUST READ THE GRANTMAKER'S PUBLISHED GUIDELINES** before you attempt to write the application for the grant. *And then re-read those same guidelines at least two more times!*
- The **#1 Reason** that grant requests are rejected by grantmaking organizations is that the grant request fell outside of the grantmaker's *published FOCUS AREA(S)* or outside of its **Geographic Restrictions!**



Grant Funding Tips

How to Apply for ANY Grants

- If you are still convinced that your CAP Unit has a viable program that meets the grantmaker's FOCUS AREA and GEOGRAPHY guidelines, then you will apply for that grant.
- You *must* always assume that the application method and the required information necessary for the grant application will be somewhat different for each grantmaker.
- **Key Point:**
Use whatever application method is mandated by the grantmaker's stated guidelines!

NO EXCEPTIONS!

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Grant Funding Tips

How to Apply for ANY Grants

- Grant applications will be created/submitted in one of the following forms *as dictated by the grantmaker's guidelines or RFP*:
 - Through an *Online Portal* on the Internet
 - Through an emailed *fillable form* provided by the grantmaking foundation.
 - Through an emailed or mailed *free-form* grant application
- Occasionally, a grant application might also be initiated by an emailed or written “Letter of Inquiry” to the grantmaking foundation.

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Grant Funding Tips

How to Apply for ANY Grants

- **General Grant Application Tips:**
 - ***Match*** your program's funding needs to that listed in the grantmaker's guidelines for the limitation(s) on the amount the grantmaker suggests that they will fund.
 - ***Cite*** your data sources when referencing population-related data. It helps justify your needs to the grantmaking foundation.
 - ***Always*** provide the grantmaker complete, truthful information in the grant application.



Grant Funding Tips

Congratulations – You Got The Grant!

- If you receive funding for the program that you applied for, you must abide by the following:
 - You *must* spend these **RESTRICTED** funds only on the expenses that you explicitly expressed in the budget section of the grant application.
 - You *must* file all grant reports as required by your acceptance of the grantmaker's funds.
- *Otherwise, you may be asked to return any improperly spent funds!*



Restricted Funds – Other Sources

Other Funding “With Strings Attached”

- In rare cases, **RESTRICTED DONATIONS** may also be received:
 - from individuals, or,
 - from businesses *without* a sponsored foundation.

These donations will have certain restrictions as to how the donation revenue can be spent.

- The larger the amount of the donation, the more likely it is to come with restrictions!
- As with grants, you must spend these funds in accordance with the wishes of the donor!



Restricted Funds – Other Sources

DISCUSSION

**NHQ Development Team's Role
*Regarding Restricted Funding
From Grants and Other Sources***

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Restricted Funds – Other Sources

Bequests

- Bequests are the result of a person *explicitly* naming an organization like CAP to receive a charitable donation from a deceased person's Probate Estate.

- ***Key Point:***

You can't plan for bequests in an annual budget before you know that your Unit will receive such funds and what restrictions will be attached!

- However, you can cultivate the environment that will allow such to occur!



Restricted Funds – Other Sources

Endowments

- It is possible that some *very large donations* might be received from wealthy individuals or from businesses without a corporate-sponsored foundation.
- They are also very likely to come with some restrictions as to what the donation can be spent on.
- Large donations that come from a living person or a company with stated restrictions on how the funds can be spent are known as *Endowments*.



Restricted Funds – Other Sources

Endowments

- **Similar to Bequests, you can't really plan for Endowments in your annual budget until you know when you will receive such funds.**
- ***However, you can cultivate the environment that will allow such to occur!***
- **Planning in your annual budget can only occur *after* CAP is notified by the generous donor of the endowment and what restrictions are attached.**
- **As with grants, you must spend these funds in accordance with *all* restrictions imposed in the Endowment.**



DISCUSSION

***You Don't Plan for Bequests and Endowments,
You Cultivate the Environment for Them to Occur!***

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Restricted Funds – Other Sources

GoFundMe and Similar Crowdfunding Appeals

- In recent times, Crowdfunding Appeals have been very popular methods of fundraising via the Internet.
- Crowdfunding Appeals are used by tax exempt organization *and* by individuals seeking personal monetary support for causes that are not tax exempt, i.e., *not Tax Deductible*.
- As a part of the Air Force Total Force and as a tax exempt organization, CAP must be very careful in the use of Crowdfunding for its fundraising purposes.



Restricted Funds – Other Sources

GoFundMe and Similar Crowdfunding Appeals

- The CAP NTL HQ recently issued a policy regarding Crowdfunding Appeals and has made such available on the eServices website at the following link:

https://www.capmembers.com/media/cms/CAP_CC_Memorandum_Crowdfunding_Guid_12776638A6524.pdf

- The National Development Team *strongly urges* all CAP Units at all levels to consult this document *before* considering any type of Crowdfunding Appeal.
- *It is absolutely imperative that every CAP Unit comply with the above referenced policy if they choose to use this form of fundraising.*



Q & A

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Break Time!

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