Service Area

The Fall 2017 State of Grantseeking™ Report

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Your Fast Track To Funding

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INTRODUCTION

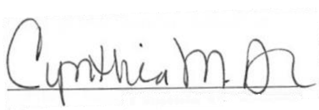
As a leader in the nonprofit sector part of your job is to know about the latest trends and to apply lessons learned by others to the strategic development of your organization. We are here to help you do just that.

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 our 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. Seventy-five percent of rural organizations submitted at least one application in the first six months of 2017, compared to 82% of suburban organizations, 92% of urban organizations, and 84% of organizations in a combination of service areas.

Private foundations continue to be a funding source for most respondents; 80% reported that they received awards from private foundations. Within organizational service areas, 63% of rural organizations, 74% of suburban organizations, 86% of urban organizations, and 81% of organizations in a combination of service areas reported that they received funding 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. However, 50% of organizations that reported corporations as the source of their largest award were over twenty-five years old. Thus, a younger organization may expect an award from a corporation more frequently than from the Federal government.

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 comparison, 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. By service area, indirect/administrative costs comprised 20% or less of the annual budget for 62% of rural organizations, 57% of suburban organizations, 59% of urban organizations, and 65% of combination organizations.

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. By service area, over 40% of organizations in rural (43%), suburban (43%), urban (59%), and combination (50%) service areas reported that they reduced indirect/administrative costs by eliminating staff.

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, in conjunction with the reports by annual budget and mission focus. 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

COMPARISON BY SERVICE AREA

Organizational service area defined by the Census Bureau's urban/cluster/rural delineation of population-based geographical areas can influence the grantseeking experience.

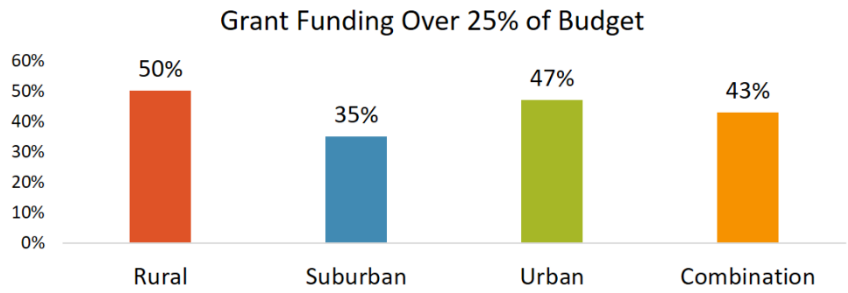
When viewed through the lens of service area, variations among organizational demographic profiles and grant management and strategy profiles help us to understand the state of grantseeking at a more granular and actionable level, and serve as a tool to assist in the 2018 planning process.

For this report, service area ranges are defined as:

Population-Based Service Area	Area	% of Respondents	Median Budget Amount
Populations under 2,500	Rural	7%	$250,000
Populations between 2,500 and 50,000	Suburban	17%	$459,200
Populations over 50,000	Urban	32%	$1,500,000
A combination of service areas	Combination	44%	$1,109,250

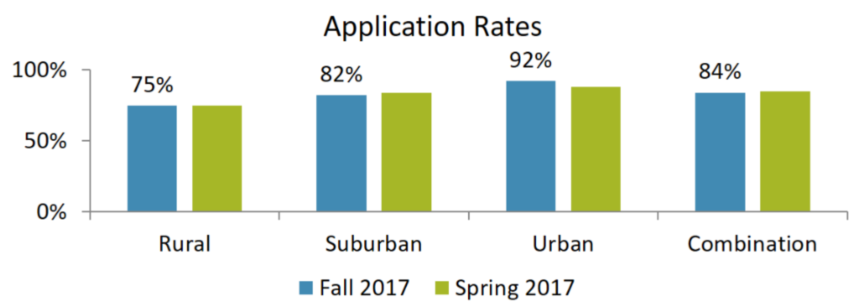
GRANT FUNDING BUDGET CONTRIBUTION

Grant funding was a greater percentage of the annual budget for rural and urban organizations.



APPLICATION RATES

Organizational grant application rates related positively to budget and staff sizes. Urban organizations reported higher application rates.

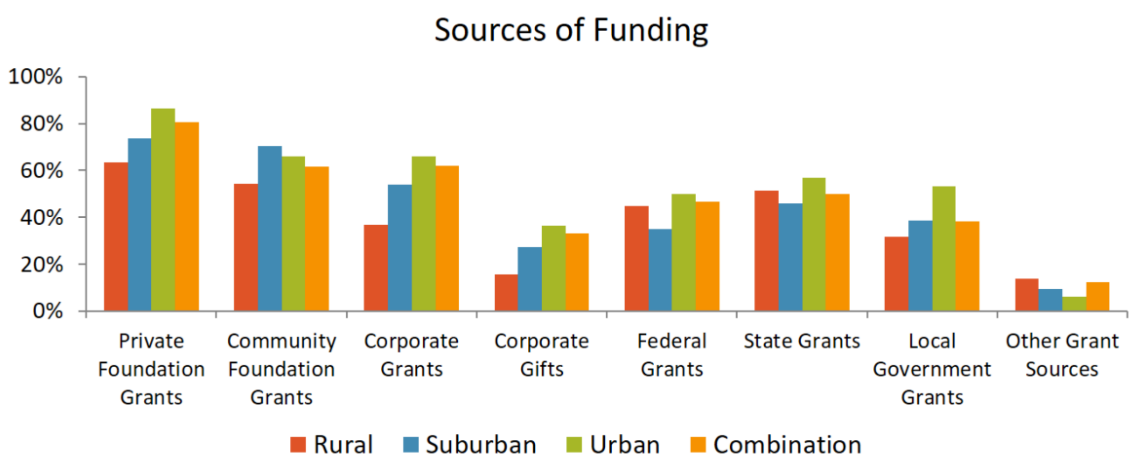


Between January and June 2017:

- Seventy-five percent of rural organizations submitted at least one grant application. Rural organizations were primarily staffed by volunteers (15%), had less than one full-time equivalent employee (11%), or employed one to five people (29%). The median annual budget for rural organizations was $250,000.
- Eighty-two percent of suburban organizations submitted at least one grant application. Suburban organizations primarily employed one to five people (31%) or six to 25 people (22%). The median annual budget for suburban organizations was $459,200.
- Ninety-two percent of urban organizations submitted at least one grant application. Urban organizations primarily employed from one to five people (20%) or over 200 people (26%). The median annual budget for urban organizations was $1,500,000.
- Eighty-four percent of combination organizations submitted at least one grant application. Combination organizations primarily employed from one to five people (22%) or over 200 people (20%). The median annual budget for combination organizations was $1,109,250.

GRANT FUNDING SOURCES

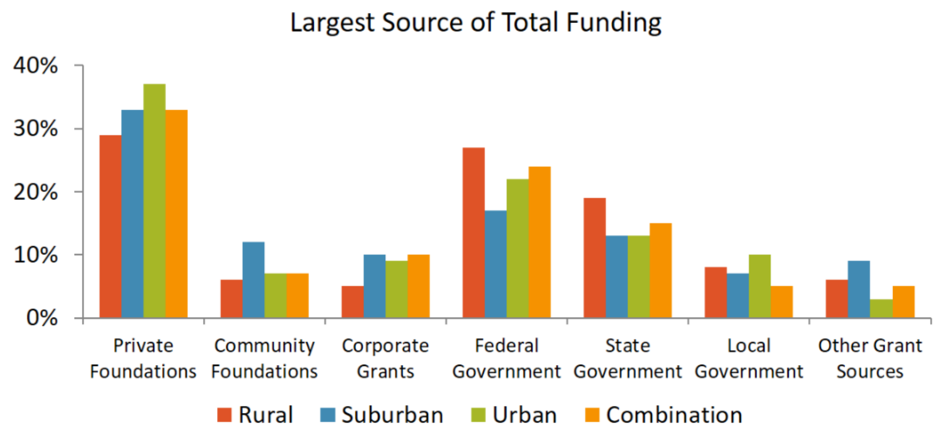
Private foundations continued to be the most frequently cited source of grant awards for organizations in any service area. Government funding was most frequently reported by organizations in urban service areas.



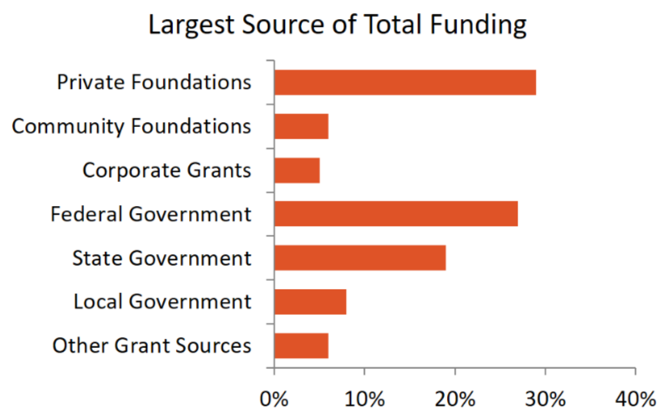
LARGEST SOURCE OF TOTAL FUNDING

When the largest source of total funding is viewed through the lens of service area, differences in grantmaker funding preferences become apparent.

Community foundations, corporations, and "other" grant sources were more frequently the largest source of total funding for suburban organizations. Rural organizations reported Federal and state government as the largest source of total funding more frequently than did organizations in other service areas. Private foundations and local government were most frequently reported as the largest source of total funding by urban organizations.



Rural Organizations

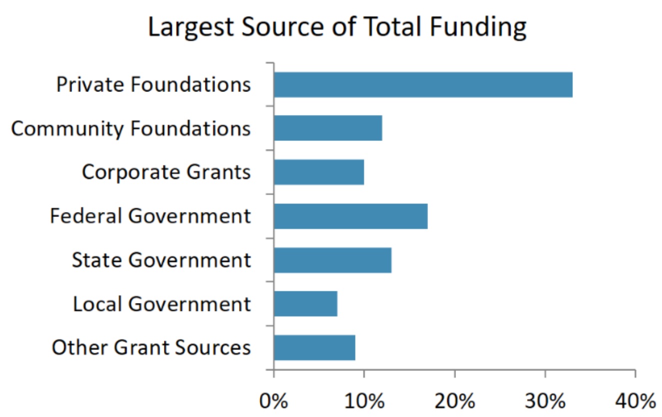


Largest source of total funding trends for organizations with rural service areas:

- Private foundations were the largest total funding source for 29% of respondents, a 28% decrease from the Spring 2017 Report, and a 6% decrease from the Fall 2016 Report.

- ↓ Community foundations were the largest total funding source for 6% of respondents, a 40% decrease from the Spring 2017 Report, and a 50% decrease from the Fall 2016 Report.
- ↓ Corporate grants were the largest total funding source for 5% of respondents, a 50% decrease from the Spring 2017 Report, and a 17% decrease from the Fall 2016 Report.
- ↑ Federal government grants were the largest total funding source for 27% of respondents, a 29% increase from the Spring 2017 Report, and a 35% increase from the Fall 2016 Report.
- ↑ State government grants were the largest total funding source for 19% of respondents, a 73% increase from the Spring 2017 Report, and a 12% increase from the Fall 2016 Report.
- ↑ Local government grants were the largest total funding source for 8% of respondents, a 167% increase from the Spring 2017 Report, and a 33% increase from the Fall 2016 Report.
- → Other grant sources were the largest total funding source for 6% of respondents, the same rate as the Spring 2017 Report, and a 25% decrease from the Fall 2016 Report.

Suburban Organizations

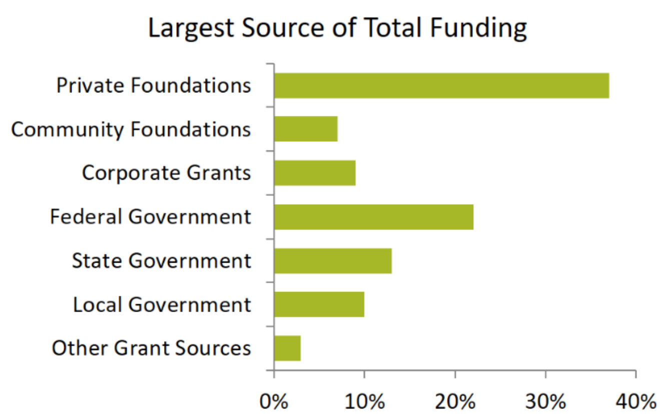


Largest source of total funding trends for organizations with suburban service areas:

- ↓ Private foundations were the largest total funding source for 33% of respondents, a 6% decrease from the Spring 2017 Report, and a 3% increase from the Fall 2016 Report.
- ↓ Community foundations were the largest total funding source for 12% of respondents, an 8% decrease from the Spring 2017 Report, and the same rate as the Fall 2016 Report.

- Corporate grants were the largest total funding source for 10% of respondents, an 11% increase from the Spring 2017 Report, and the same rate as the Fall 2016 Report.
- Federal government grants were the largest total funding source for 17% of respondents, a 31% increase from the Spring 2017 Report, and a 70% increase from the Fall 2016 Report.
- State government grants were the largest total funding source for 13% of respondents, a 13% decrease from the Spring 2017 Report, and a 38% decrease from the Fall 2016 Report.
- Local government grants were the largest total funding source 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 total funding source for 9% of respondents, a 29% increase from the Spring 2017 Report, and a 50% increase from the Fall 2016 Report.

Urban Organizations

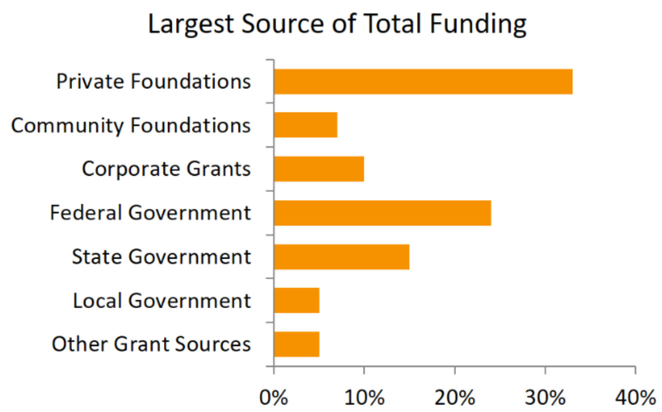


Largest source of total funding trends for organizations with urban service areas:

- Private foundations were the largest total funding source for 37% of respondents, a 16% decrease from the Spring 2017 Report, and an 8% decrease from the Fall 2016 Report.
- Community foundations were the largest total funding source for 7% of respondents, the same rate as the Spring 2017 Report, and a 13% decrease from 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 a 13% increase from 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 38% increase from the Fall 2016 Report.
- State government grants were the largest total funding source for 13% of respondents, an 18% increase from the Spring 2017 Report, and the same rate as the Fall 2016 Report.
- Local government grants were the largest total funding source for 10% of respondents, an 11% increase from the Spring 2017 Report, and a 9% decrease from the Fall 2016 Report.
- Other grant sources were the largest total funding source for 3% of respondents, a 200% increase from the Spring 2017 Report, and a 25% decrease from the Fall 2016 Report.

Combination Organizations



Largest source of total funding trends for organizations with combination service areas:

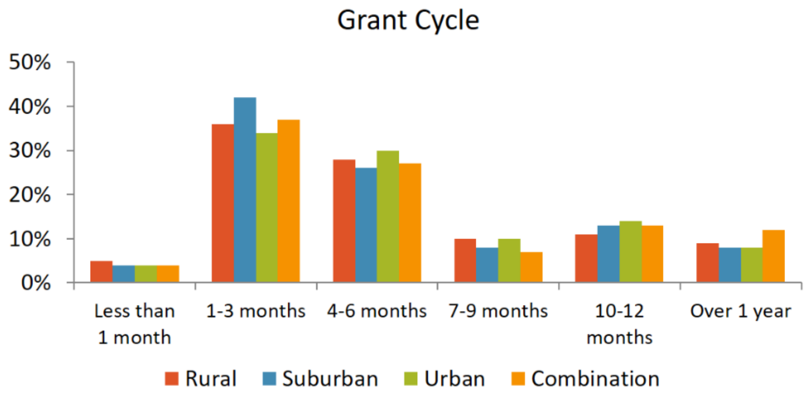
- Private foundations were the largest total funding source for 33% of respondents, an 11% decrease from the Spring 2017 Report, and a 15% decrease from the Fall 2016 Report.
- Community foundations were the largest total funding source for 7% of respondents, a 22% decrease from the Spring 2017 Report, and a 17% decrease from the Fall 2016 Report.
- Corporate grants were the largest total funding source for 10% of respondents, a 17% 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 24% of respondents, a 20% increase from the Spring 2017 Report, and a 26% increase from the Fall 2016 Report.

- State government grants were the largest total funding source for 15% of respondents, a 15% increase from the Spring 2017 Report, and a 7% increase from the Fall 2016 Report.
- Local government grants were the largest total funding source for 5% of respondents, the same rate as the Spring 2017 Report, and a 25% increase from the Fall 2016 Report.
- Other grant sources were the largest total funding source for 5% of respondents, a 16% decrease from the Spring 2017 Report, and a 28% decrease from the Fall 2016 Report.

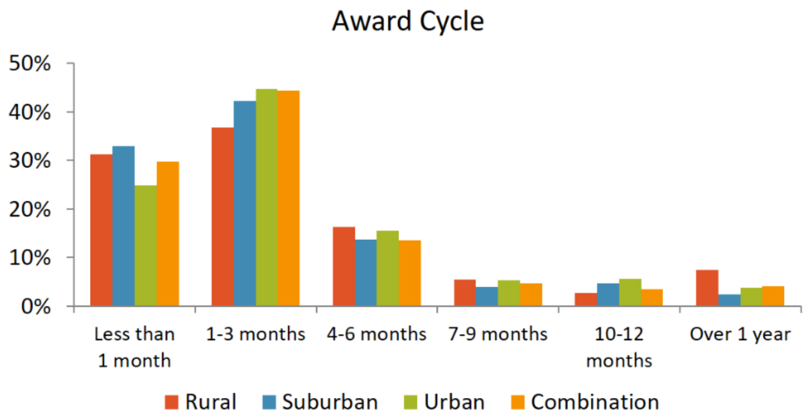
LARGEST INDIVIDUAL AWARDS

LARGEST AWARD LOGISTICS

The grant cycle length was predominately from one to three months or four to six months. A longer grant cycle of seven months or more was reported by 30% of rural organizations, 29% of suburban organizations, 32% of urban organizations, and 32% of combination organizations. Service area did not overly impact the length of the grant cycle.



Once an award decision had been determined, funders generally released the award monies quickly, often in three or fewer months. Delayed receipt of award monies, taking four months or more, was reported by 16% of rural organizations, 11% of suburban organizations, 15% of urban organizations, and 12% of combination organizations. The increase in the length of the award cycle may relate to the rate of Federal and state funding, reflecting more protracted government fund release procedures.



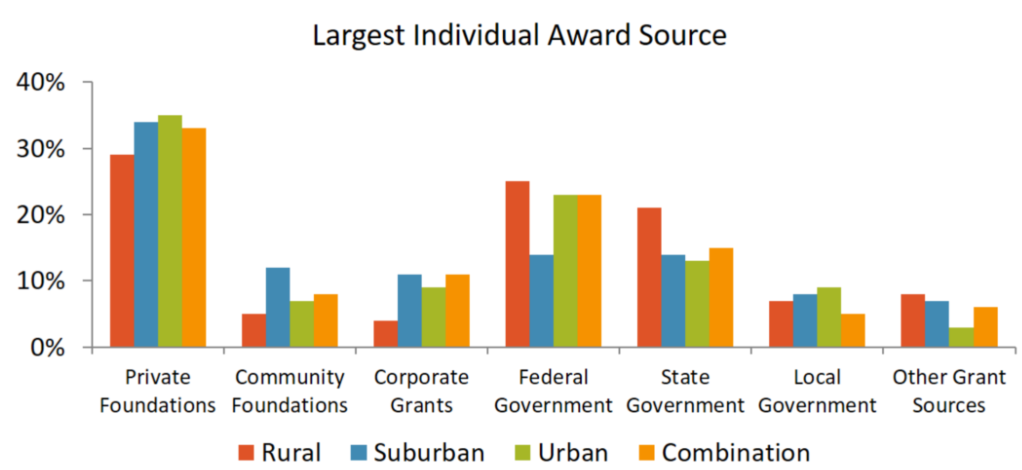
LARGEST AWARD SUPPORT TYPE

Of the twenty-four specific support types, each of those in the chart were selected by at least 4% of respondents within one service area. Project or program support was the most frequently reported largest award support type for organizations from all service areas, although the rate was lower for rural and suburban organizations. General support was more frequently reported by suburban and urban organizations.

Support Type	Rural	Suburban	Urban	Combination
Advocacy	4%	3%	1%	2%
Building Funds	7%	5%	3%	2%
Capacity Building	8%	6%	4%	5%
Equipment	4%	4%	2%	2%
General Support	16%	20%	21%	16%
Mixed	4%	3%	3%	4%
Project/Program Support	29%	38%	49%	46%

LARGEST INDIVIDUAL AWARD SOURCE

When the source of the largest individual award is viewed through the lens of service area, differences in grantmaker funding preferences become apparent. Private foundations were the largest individual source for organizations in all service areas, although rural organizations reported them at a lower rate. Community foundations and corporations were most frequently the largest individual award source for suburban organizations. The rate of Federal government funding was lowest for suburban organizations. State government was most frequently the largest individual award source for rural organizations. Local government was least frequently the largest individual award source for organizations serving a combination of service areas, while "other" grant sources least frequently funded organizations with urban service areas.



The median award size by funding source is included in the chart below to provide context.

Largest Award Source	Median Largest Award	Rural	Suburban	Urban	Combination
Private Foundations	$40,000	29%	34%	35%	33%
Community Foundations	$15,000	5%	12%	7%	8%
Corporate Grants	$21,250	4%	11%	9%	11%
Federal Government	$580,100	25%	14%	23%	23%
State Government	$110,000	21%	14%	13%	15%
Local Government	$41,650	7%	8%	9%	5%
Other Grant Sources	$30,000	8%	7%	3%	6%

LARGEST AWARD BENCHMARKS

The median size of the largest grant award is a key benchmark to measure organizational grantseeking success. Median award size is impacted by service area/scope of reach, and the implied organizational budget size and staff size.

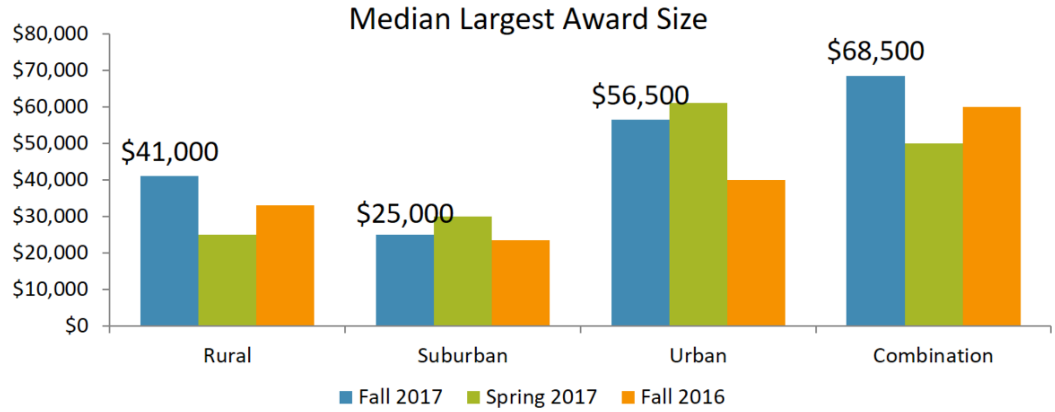
Largest Award Size	Rural		
	Fall 2017	Spring 2017	Fall 2016
Lowest $	$400	$550	$500
Highest $	$25 Million	$8 Million	$224 Million
Median $	$41,000	$25,000	$33,000
Average $	$523,525	$171,525	$2,742,275

Largest Award Size	Suburban		
	Fall 2017	Spring 2017	Fall 2016
Lowest $	$250	$190	$250
Highest $	$7 Million	1.5 Million	$3 Million
Median $	$25,000	$30,000	$23,450
Average $	$208,450	$105,275	$89,025

Largest Award Size	Urban		
	Fall 2017	Fall 2016	Spring 2016
Lowest $	$500	$400	$500
Highest $	$50 Million	$36 Million	$20 Million
Median $	$56,500	$61,000	$40,000
Average $	$803,100	$402,475	$414,900

Largest Award Size	Combination		
	Fall 2017	Spring 2017	Fall 2016
Lowest $	$100	$100	$100
Highest $	$150 Million	$186 Million	$150 Million
Median $	$68,500	$50,000	$60,000
Average $	$1,078,800	$853,675	$836,550

- ↑ Rural organizations reported a 64% increase in the median largest award size from the Spring 2017 Report, and a 24% increase from the Fall 2016 Report.
- ↓ Suburban organizations reported a 17% decrease in the median largest award size from the Spring 2017 Report, and a 7% increase from the Fall 2016 Report.
- ↓ Urban organizations reported a 7% decrease in the median largest award size from the Spring 2017 Report, and a 41% increase from the Fall 2016 Report.
- ↑ Combination organizations reported a 37% increase in the median largest award size from the Spring 2017 Report, and a 14% increase from the Fall 2016 Report.


Median Largest Award Size
$80,000
$70,000
$60,000
$50,000
$40,000
$30,000
$20,000
$10,000
$0
$41,000
$25,000
$56,500
$68,500
Rural
Suburban
Urban
Combination
Fall 2017
Spring 2017
Fall 2016

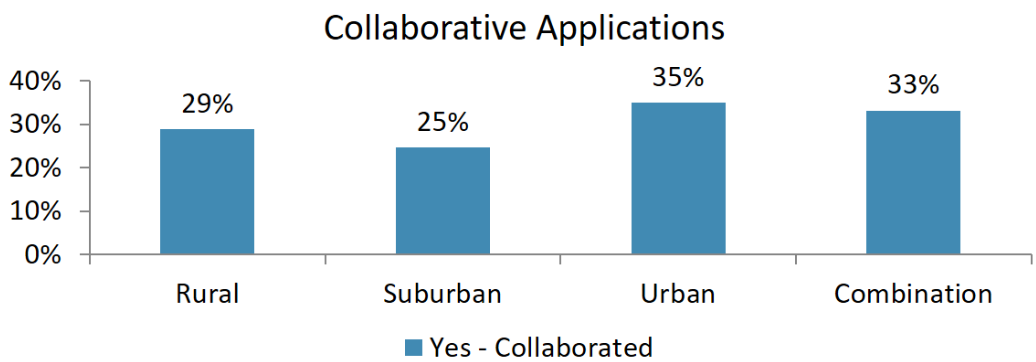
COLLABORATIVE GRANTSEEKING

COLLABORATION BY SERVICE AREA

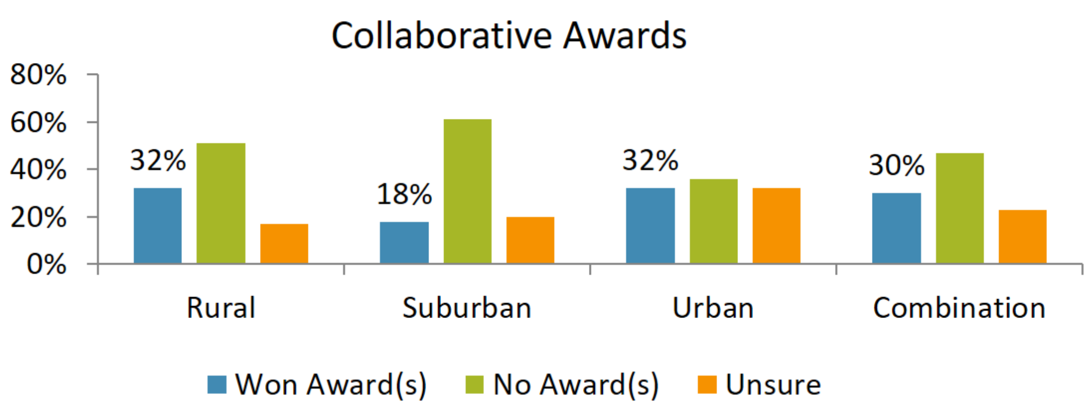
Service area/scope of reach, and the implied organizational budget size and staff size, had an effect on collaborative activities.

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.

Organizations in rural service areas (median annual budget $250,000) and suburban service areas (median annual budget $459,200) participated in collaborative grantseeking less frequently than did organizations in urban service areas (median annual budget $1,500,000) and combination service areas (median annual budget $1,109,250).



Of those organizations that did submit a collaborative application, suburban organizations least frequently reported winning an award. The response "unsure" may reflect submitted applications for which award decisions were still pending at the time of the survey.



RESPONDENT COMMENTARY

As always, we asked survey respondents to share their experiences, expertise, and opinions. There were many similarities in comments from both 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. Some pointed out the issues with funder requirements, and some questioned the cost versus the benefit.

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

Rural Organizations

- Assuming it is actually beneficial to all organizations involved, it's great. But the trend for foundations to prioritize collaboration is troublesome in that collaboration is not inherently the best way to accomplish mission goals.
- Collaborative grantseeking is a great tool and really helps with in-kind donations from each organization. I will continue to incorporate organizational collaboration in future grant proposals.
- It’s extremely hard for the smaller nonprofits to accomplish. Grantseeking is very political in this area. The larger agencies are already partnered up so it's hard to get even a portion of any type of funding.
- I’m very strongly in favor.

Suburban Organizations

- You need to have established partnerships before applying for a grant; otherwise, my experience has been that it's hard to get an application together and unlikely to get awarded.
- It’s necessary. But you need a good collaborator, or you end up doing all the work and not getting all the money.
- It makes things very complex and much more difficult. Everyone is already busy with their nonprofit agencies so setting up meetings with others is very time-consuming and takes away from the mission of the agencies themselves!
- Collaboration is definitely a beneficial way to seek and acquire funding.

Urban Organizations

- I’m neutral. Collaborations are great when appropriate, but shouldn't be forced as a requirement for funding.
- 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 duplicative reporting and efforts by grantees.

- If the mission fit and cultures are compatible, it's almost always a win-win. Checking fit first is imperative.
- It can be challenging to have fully equitable collaboration—it is typically best for one organization to serve as the lead. There can also be the challenge of a given grant pool or grant award not expanding proportionately to the additional costs of having multiple organizations collaborate —each organization's cost of doing business must be considered relative to their role on the grant.

Combination Organizations

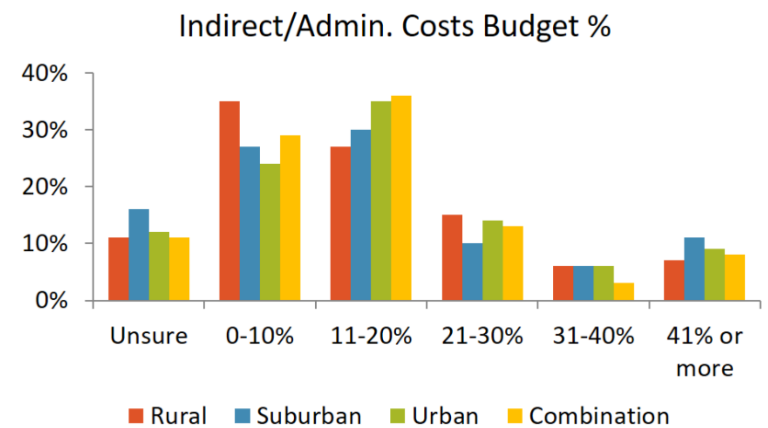
- It seems to be more appealing to funders. We like working with other organizations on projects, but it results in more work to develop the project and budgets, and much more work to write the grant. It also means we get fewer overall dollars to support the overhead costs for each organization since we can't put the true cost for both organizations in. We can only share resources up to a point.
- It has a strong value for grantseeking, but it’s very time-intensive and must be carefully managed.
- Collaboration is positive but it makes the process more complex and more difficult to manage.
- Collaboration is key to ensuring that programs serve as intended and funders are interested in impact from collaborative efforts in programming.

INDIRECT/ADMINISTRATIVE COSTS AND FUNDING

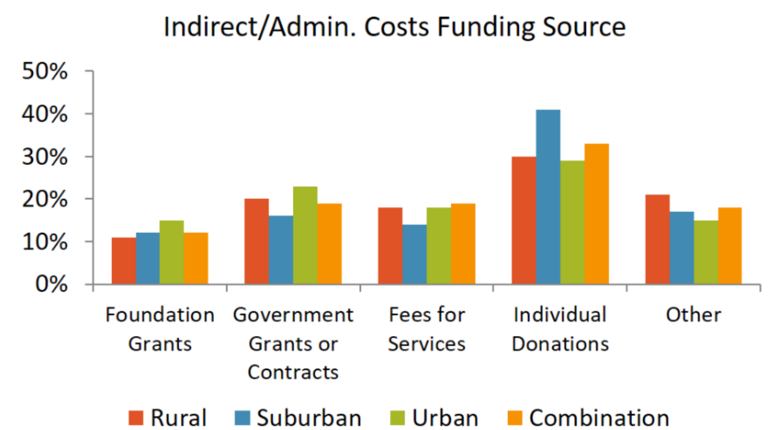
Sixty-one percent of all respondents reported that indirect/administrative costs comprised 20% or less of their annual budget.

By service area, indirect/administrative costs comprised 20% or less of the annual budget for 62% of rural organizations, 57% of suburban organizations, 59% of urban organizations, and 65% of combination organizations.

Eleven percent of combination organizations reported that indirect/administrative costs comprised 31% or more of their annual budgets, compared to 13% of rural organizations, 17% of suburban organizations, and 15% of urban organizations.



The most frequent source of indirect/administrative funding for all respondents was individual donations (33%).



By service area, individual donations were the most frequent source of indirect/administrative funding for 30% of rural organizations, 41% of suburban organizations, 29% of urban organizations, and 33% of combination organizations.

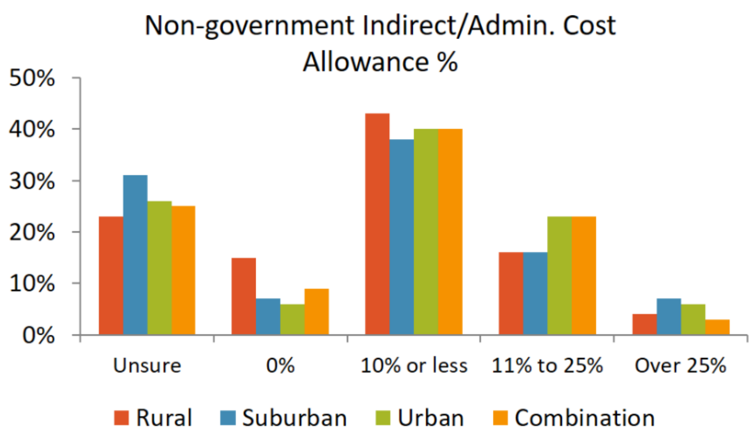
Twenty percent of rural organizations reported that government grants or contracts were the most frequent source of indirect/administrative funding, compared to 16% of suburban organizations, 23% of urban organizations, and 19% of combination organizations.

INDIRECT/ADMINISTRATIVE COST FUNDING LIMITATIONS

Non-government funders allowed up to 10% of an award for indirect/administrative costs for 43% of rural organizations, 38% of suburban organizations, 40% of urban organizations, and 40% of combination organizations.

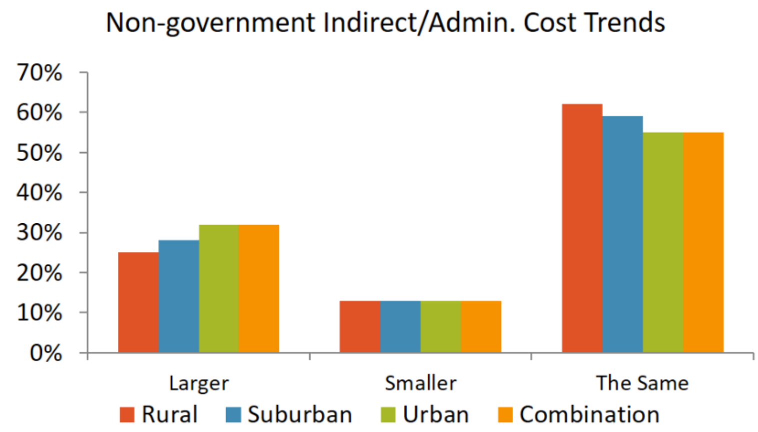
Non-government funders allowed over 10% of an award for indirect/administrative costs for 20% of rural organizations, 23% of suburban organizations, 29% of urban organizations, and 26% of combination organizations.

Some organizations were unsure of the indirect/administrative cost allowance, including 23% of rural organizations, 31% of suburban organizations, 26% of urban organizations, and 25% of combination organizations.



INDIRECT/ADMINISTRATIVE COST TRENDS

Most respondents reported that their costs remained the same. However, indirect/administrative costs increased for 25% of rural organizations, 28% of suburban organizations, 32% of urban organizations, and 32% of combination organizations. Thirteen percent of organizations from each service area reported that indirect/administrative costs decreased.



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%) also 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%).

By service area, over 40% of organizations in rural (43%), suburban (43%), urban (59%), and combination (50%) service areas reported that they reduced indirect/administrative costs by eliminating staff.

Cost reduction techniques, by budget size, are as follows:

Reduction Technique	Rural	Suburban	Urban	Combination
Reduced services/programs offered	26%	13%	21%	26%
Reduced organization hours	9%	22%	5%	12%
Reduced organization geographic scope	17%	2%	2%	5%
Reduced staff salaries	35%	22%	13%	19%
Reduced number of staff	43%	43%	59%	50%
Reduced staff hours	26%	26%	14%	23%
Increased reliance on volunteer labor	35%	35%	28%	32%
Buying groups/economy of scale	13%	4%	7%	8%
Space/location sharing	13%	15%	13%	11%

CHALLENGES TO GRANTSEEKING

Among all respondents, 18% reported that grantseeking's greatest challenges stemmed from the lack of time and staff for grantseeking activities, although this was reported at the lowest frequency within the past eight reports.

Increased competition for finite monies (15%) has placed greater emphasis on strict adherence to varying funder practices and requirements (12%). Many respondents mentioned the difficulty in finding grant opportunities that matched with their specific mission, location, or program (11%), regardless of their focus, service area, or interests. Reduced funding (10%) was reported at the highest rate since the Spring 2014 Report.

By service area, challenges to grantseeking were reported as follows:

Grantseeking Challenge	Rural	Suburban	Urban	Combination
Competition	10%	14%	18%	16%
Reduced funding	8%	7%	11%	11%
Economic conditions	7%	7%	7%	6%
Funder practices and requirements	10%	10%	11%	13%
Internal organizational issues	5%	4%	5%	5%
Lack of time and/or staff	22%	20%	17%	17%
Need for a grantwriter	10%	8%	4%	6%
Relationship building with funders	6%	6%	9%	9%
Research, finding grants	12%	14%	10%	10%
Writing grants	6%	5%	3%	3%
Other	5%	6%	6%	6%

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SURVEY RESPONDENTS BY SERVICE AREA

As illustrated by the *Fall 2017 State of Grantseeking™ Survey* results, population-based service area has some influence on the grantseeking experience.

It is interesting to note the changes in organizational capacity and sustainability as defined by age, staff size, respondent role, and grantseeker role. For example, 61% of rural organizations relied on staff members to manage grantseeking responsibilities, while 77% of urban organizations had staff members to manage grantseeking. The following are typical organizations from each service area.

RURAL ORGANIZATIONS – POPULATION UNDER 2,500:

Rural organizations comprised 7% of survey respondents; the median annual budget reported was $250,000. Sixty-one percent of respondents from rural organizations were directly associated with their organizations at an executive level. Nonprofit organizations comprised 80% of rural organizations. Fifteen percent of rural organizations were staffed by volunteers, while 10% employed less than one full-time equivalent and 29% employed one to five people. Staff members (61%) held grantseeking responsibilities. Most rural organizations were 11 to 25 years old (27%), or 26 to 50 years old (26%). The most frequent geographic service reach for rural organizations was multi-county (31%) or one county (17%). Human Services (22%), Education (15%), and Community Improvement (11%) were the most frequently reported mission focuses. Forty-eight percent of these organizations reported a service population comprised of over 50% individuals/families at or below the poverty level.

SUBURBAN ORGANIZATIONS – POPULATION 2,500 TO 50,000:

Suburban organizations comprised 17% of survey respondents; the median annual budget reported was $459,200. Fifty-two percent of respondents from suburban organizations were directly associated with their organizations at an executive level. Nonprofit organizations comprised 78% of suburban organizations. Thirty-one percent of suburban organizations employed one to five people, while 22% employed six to 25 people. Staff members (71%) held grantseeking responsibilities. Most suburban organizations were 11 to 25 years old (21%), 26 to 50 years old (29%), or 51 to 100 years old (19%). The most frequent geographic service reach for suburban organizations was multi-county (27%), one county (18%), or multi-city/town (15%). Human Services (22%), Education (18%), and Arts, Culture, and Humanities (13%) were the most frequently reported mission focuses. Forty percent of these organizations reported a service population comprised of over 50% individuals/families at or below the poverty level.

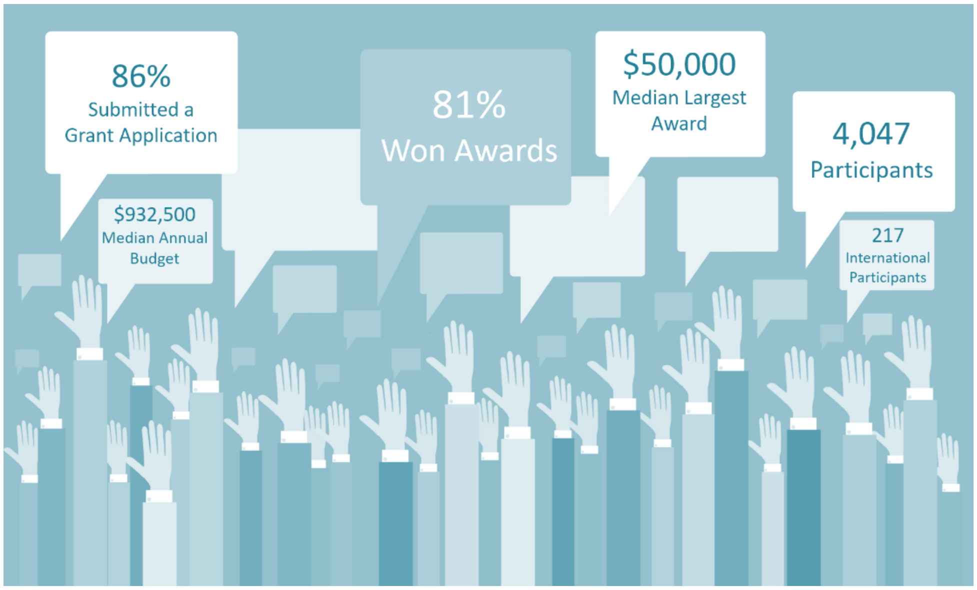
URBAN ORGANIZATIONS – POPULATION OVER 50,000:

Urban organizations comprised 32% of survey respondents; the median annual budget reported was $1,500,000. Forty-four percent of respondents from urban organizations were directly associated with their organizations at an executive level, and 40% of respondents were associated with their organizations at an employee level. Nonprofit organizations comprised 72% of urban organizations and educational institutions comprised 21% (of those, 78% were colleges or universities). Twenty-one percent of urban organizations employed between one and five people, while 26% employed over 200 people. Staff members (77%) held grantseeking responsibilities. Most urban organizations were 11 to 25 years old (19%), 26 to 50 years old (30%), 51 to 100 years old (16%), or over 100 years old (17%). The most frequent geographic service reach for urban organizations was multi-county (22%) or international (20%). Education (21%), Human Services (17%), and Arts, Culture, and Humanities (14%), 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.

COMBINATION ORGANIZATIONS – A COMBINATION OF SERVICE AREA POPULATIONS:

Organizations serving a combination of areas comprised 44% of survey respondents; the median annual budget reported was $1,109,250. Thirty-five percent of respondents from combination organizations were directly associated with their organizations at an employee level, and 50% of respondents were associated with their organizations at an executive level. Nonprofit organizations comprised 81% of combination organizations, and educational institutions comprised 11% (of those, 94% were colleges or universities). Twenty-two percent of combination organizations employed between one and five people, while 20% employed over 200 people. Staff members (76%) held grantseeking responsibilities. Most combination organizations were 11 to 25 years old (21%), 26 to 50 years old (30%), or 51 to 100 years old (17%). Eighteen percent were over 100 years old. The most frequent geographic service reach for combination organizations was multi-county (24%), international (19%), or one state (15%). Human Services (21%), Education (14%), and Healthcare (10%) 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.

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 from 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 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, while 11% reported an individual-state reach. A multi-county reach was reported by 24% of respondents, and 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.

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*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.

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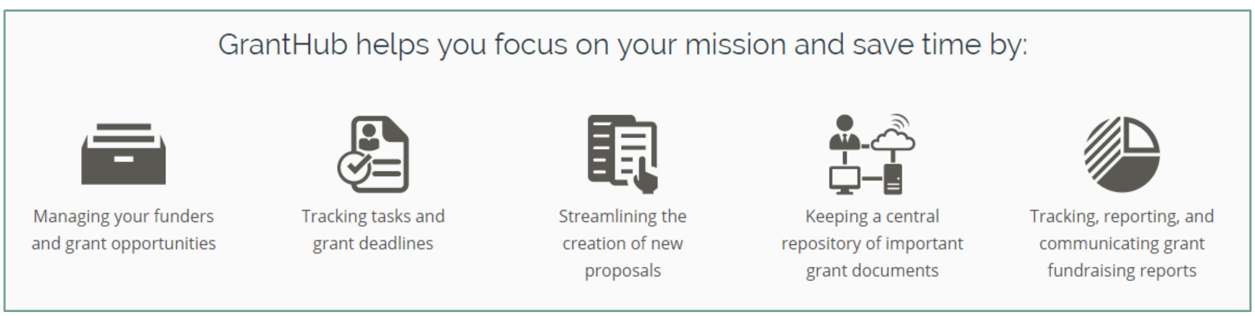
- managing grant opportunities and pipelines;
- tracking tasks / deadlines / awards;
- streamlining proposal creation and submission; and,
- providing convenient, centralized access to grant and funder information.



GrantHub—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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