

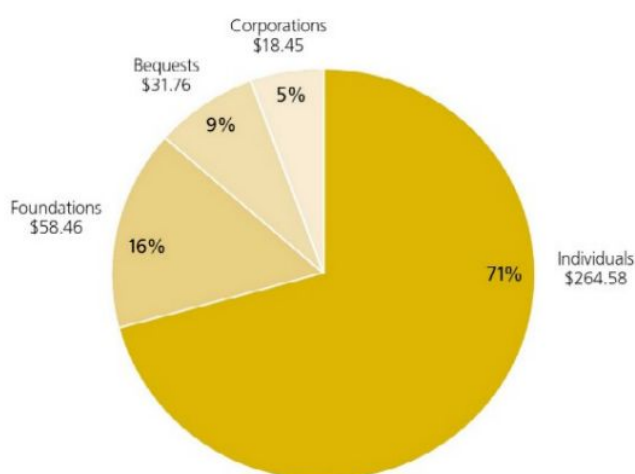


Fundraising Sources of Funding

Federal, State, and Local Governments

Many schools and nonprofits receive funding from federal, state, or local government. Obvious examples are public education, higher education, and the public media. Federal, state, and local government grants fund many programs provided by nonprofits, especially in areas such as urban human service and healthcare.

\$373.25 billion by source of contributions given in 2015
(in billions of dollars—all figures are rounded)



Individual Giving

Individuals are the largest source of private sector funding for nonprofit organizations. According to Giving USA, total charitable giving in the U.S. reached more than \$373 billion in 2015. Of that amount, 71% came from individuals. Individuals give in many ways: they become members, attend events; buy raffle tickets; respond to letters and emails that ask for support; give via text and social media sites; give because friends ask them; sponsor volunteers doing an activity that benefits a good cause; give because they also volunteer; give through online crowdfunding sites; and the list goes on and on.

Private Foundations

Many large, iconic private foundations are or were family or corporate foundations. Gates Foundation, Rockefeller Foundation, Ford Foundation, or W.K. Kellogg Foundation, are examples. These foundations have endowments in the billions and large staffing hierarchies, but most family foundations are much smaller, often fund locally, and frequently have little/no paid staff.

Community Foundations and Public Foundations

Community Foundations (sometimes called Public Foundations) are foundations that aggregate the assets of many different donors. They provide grants, award scholarships, and services to donors within a particular community or with a particular issue focus. Community Foundations and Donor Advised Foundations have become very active in providing donor-advised funds for donors who want to become more directed in their giving but don't want to set up their own private foundations.



Planned Gifts and Bequests

Planned gifts may be defined as a method of supporting nonprofits and charities that enables philanthropic individuals or donors to make larger gifts than they could make from their income. While some planned gifts provide a life-long income to the donor, others use estate and tax planning techniques to provide for charity and other heirs in ways that maximize the gift and/or minimize its impact on the donor's estate.

Corporate Funding

Corporations that give grants get exposure, publicity, community respect, and market share from giving. Their funding is more episodic, revolving around particular campaigns, events, and projects. Corporate funding can be a good source of support for new initiatives, special programs, and special events. Look for opportunities to form partnerships for sponsorships and cause-related marketing.