



## **January Funding Tip**

The Finance Project is pleased to announce the next installment in a series of [monthly funding tips](#) for youth programs. These tips cover different financing strategies to help programs finance and sustain their work.

### **Tip: Access Private Funding**

Accessing private funding can be accomplished by writing grant proposals, building partnerships with local businesses, and engaging in community fundraising. Done correctly, accessing private funding can be an effective step toward diversifying your organization's funding portfolio and ensuring financial stability and sustainability. The short and long-term benefits can be substantial: increased funding, in-kind support, greater visibility and more support within the community, and improved leveraging capacity for future funding opportunities. Despite these potential benefits, the process can be onerous and often requires significant investment (human capital, time, and often money). To account for these obstacles, you should consider the following strategies before attempting to access private funding:

1. **Outline Goals and Understand Your Financial Situation** – Before approaching funders and potential partners, you should work with key stakeholders to refine and clarify your program's vision and expected outcomes. By knowing what resources are already available to your program (cash and in-kind), you will have a better understanding of specific types of funding that will help satisfy your organization's needs.
2. **Identify Appropriate Sources of Funding** – Three primary sources of private funding are foundations, private businesses and individual donors. You should carefully consider which funding sources have the most potential to help your organization and which are the least burdensome in accessing. To do this, establish connections with the people who have information about, and in some cases control of, private resources.

With these strategies in mind, you should ask yourself the following questions to help determine which private funding sources are most suitable to your organization's goals and needs:

- How much revenue can be generated?
- Are there any matching requirements?
- Who is eligible to apply for funding?
- How can the funds be used?
- What is the administrative burden?
- What are the application and decision-making processes?
- When will the funds be available?
- How does this source complement my existing funding mix?
- What are the political considerations?

### **Example from the Field: Leveraging Partnerships to Access Private Funding**

The Children's Relief Nursery (CRN) provides early intervention, rehabilitation, and support services to families and young children who are at high risk of abuse or neglect. Since its inception in 2000, CRN has generated a diverse set of funding sources to support these services and to ensure long-term sustainability.

Establishing public-private partnerships constitutes one primary means through which CRN accesses funding; these partnerships are also a significant reason CRN's annual fundraising event, the Portland Iron Chef, produces in excess of one quarter of the organization's operating budget. One obvious advantage of these partnerships is that they make it much easier for CRN to secure other partners for the fundraiser. For example, a partnership established with the University of Portland enabled CRN to leverage and form an additional partnership with Bon Appetit, the catering company who underwrites the entire food portion of the event. Originally drawn by the humanitarian nature of CRN, the University of Portland also hosts the event.

For more information on this financing strategy and the role of intermediaries and policymakers in helping youth programs access private funding, see The Finance Project's publication, [\*A Guide to Private Funding to Support Child Traumatic Stress and Other Trauma-Focused Initiatives.\*](#)

Within the [Youth Programs Resource Center](#) you will also find an [online clearinghouse](#), jointly developed by The Finance Project and The Forum for Youth Investment. The clearinghouse contains a wealth of information and resources for supporting and sustaining youth programs and initiatives. It is designed to help you learn about data, tools, policies, practices, financing strategies, coordination efforts and technical assistance resources developed by organizations in the field that aim to improve the lives of youth.