

Funding Options for Municipalities (Part Two)

Pat Bohse, President of Bohse & Associates, Inc.

In this month's article we will explore **corporations** as funders and partners to municipalities. Corporations are defined as: A body that is granted a charter recognizing it as a separate legal entity having its own rights, privileges, and liabilities distinct from those of its members. And, by law, corporations are permitted to grant up to 10% of their pre-tax dollars to philanthropy. Most corporations give an average of 1%.

During the last 15 years, there has been an important shift on how corporations distribute their money to support not-for-profits and others. Corporations have used studies to examine the preferences of their customers, and have found that the American population would prefer to purchase goods from a company that they perceive as a good corporate partner in the community. Thus approaching a corporation to work with your municipality is important as you may need to go through many different doors to develop that win-win relationship.

The following are the different departments within a corporation that you should look to partner with:

1. **Corporate Foundation**

A corporate (company-sponsored) foundation is a private foundation that derives its charitable funds primarily from the contributions of that profit-making business.

2. **Marketing Department**

This could be the best department to approach. The Marketing Department usually has more dollars available for the specific purpose of developing relationships to allow maximum exposure in communities.

3. **Human Resources**

This department usually has programs where they place employees into volunteer positions to help with special events and other designated programs.

An example of a program that would be administered under Human Resources would be a Matching Grant Program. This program provides grants or contributions that will match employees' or directors' gifts made to a qualifying organization.

4. **Corporate Giving**

An example of corporate giving would be a Direct Giving Program.

5. **Research and Development**

This department is usually looking for input for development of new products and once the product is developed, they look for feedback. Research and development departments may want to have focus groups within the community to get feedback on new products and/or marketing strategies. You may be able to provide this service for a contribution or fee.

Tips to Develop a Long-Term Strategic Partnership with Corporations:

- Corporations are looking for good causes to support. They want to involve employees in these projects. In many cases, they only look to participate in programs that are in the same geographic areas where they conduct business.
- Corporations are looking for long term relationships, good press and multiple ways or avenues to get good exposure.
- In-Kind Contributions are donations of goods or services rather than cash or appreciated property.
- Understand that companies formulate their budget at least 6 months in advance, so be aware of their fiscal year.
- Keep your proposal short – no more than two to three pages.
- Highlight the benefits to the corporation to work with you.
- Develop a strategy to maintain a long-term partnership.
- Make sure that you always thank the corporation for its gifts, whether cash or in-kind.

Where to go to research corporations:

Hoovers (<http://www.hoovers.com/free/>): A user-friendly tool for finding basic company information and news.

NJLM's Grant Resource Center (<http://www.njslom.org/grants.html#corpgiving>): For a listing of links to Corporate Giving Programs.

The Foundation Center (www.fdncenter.org): A subscription-based web site that allows members to perform online searches on nearly 80,000 foundations, corporate givers, and grantmaking public charities.

The Foundation Center's National Directory of Corporate Giving (http://fdncenter.org/marketplace/catalog/product_directory.jhtml?id=prod10009): A comprehensive directory that features up-to-date information that helps fundraisers tap into their share of grant money earmarked by companies.

Corporate Websites: When researching a corporation, it is advised to go to their website first to determine what programs and opportunities they provide.