

# How to Identify Philanthropic Funding Sources

## Introduction

This JFF resource provides guidance and tools to use for prospect research—the process of identifying private philanthropic funding sources aligned with your organization’s mission and fundraising goals. By better understanding the landscape of philanthropic funding, organizations can enhance the sustainability of their programs. This JFF guide will help organizations identify and prioritize prospective funding sources in the private philanthropic sector.

## Prospect Research

**What is prospect research?** Prospect research is the process of searching for and collecting information on potential prospects (i.e., prospective funders). This JFF guide will help your organization identify new funding opportunities from prospective funders that align with your organization’s mission, vision, and funding priorities.

## Prospect Research Work Plan

### Getting Started

**Step 1:** Reflect on your organization’s mission, vision, goals, issue area(s), and funding priorities. You can refer to this worksheet as you do your research. Since most private philanthropies focus on specific issue areas (e.g., health, workforce development, education), it will be important to narrow down your organization’s primary issue areas.

**Table 1. Example Worksheet**

Category	Response
Mission	
Vision	
Primary Issue Area(s)	
Goals	
Funding Priorities	

**Step 2:** Familiarize yourself with online tools (free and paid) that can help with your research. Here is a list of websites to check out, including JFF's assessment of their features and pricing.

[Candid](#): Offers a few free resources to serve as a starting point for foundation research. Paid subscriptions offer greater details such as grantmaker profiles that include information on what funders are underwriting, the geographic distribution of funding, and the number and amount of grants.

[Capterra](#): Provides research to help organizations find fundraising software that aligns with their needs. Users can filter by pricing options, features, deployment, and company size.

[Charity Navigator](#): Provides free resources and tools for donors to assess nonprofit performance.

[G2](#): Provides guidance on nonprofit CRM software, including ratings, pricing, and features.

[LinkedIn](#): Use the search engine to research professionals (e.g., program officers) and potential individual donors.

[IRS 990 Finder](#): Free search engine to look up the 990 tax forms of nonprofits for their financial data and grantmaking activities.

## Building and Developing Funder Profiles & Relationships

Now that you have your mission and funding priorities in mind, it is time to conduct prospect research and build out your funder profiles. A funder profile is a tool to document key aspects of existing, new, or prospective philanthropic funders. It is critical to keep track of these profiles for both upcoming grant proposals, networking and connection opportunities, and re-grant opportunities.

**Step 1:** Determine the tool you will use to store information from your prospect research (i.e., What type of CRM will your organization use?).

**Step 2:** Collect the following information on funders:

- Funder Name
- Contact Information
- Name of executive director and other key staff (e.g., program officer)
- Address
- Phone number
- Website
- Social media platforms

- Funder/Donor Type (e.g., private foundation, corporation, funder network, individual giving, donor-advised fund)
- Grantmaking Priorities (What types of projects do they support? Examples: education, climate, transportation, health care, etc.)
- Grantmaking Geographic Reach (e.g., national reach, statewide in California, region-specific, etc.)
- Population(s) focus (e.g., opportunity youth)
- Grant Application Process
- Application Process (e.g., invite-only, online application, etc.)
- Funding Cycle (e.g., track application deadlines, open application)
- Eligibility criteria (e.g., must be a nonprofit organization, located in a specific region, etc.)
- Mutual Connection Points (i.e., Who in the organization's network could provide a warm introduction?)

**Step 3:** Now that you have a comprehensive list of funder profiles, both new and prospective, review your goals, funding priorities, and funder profiles. Then identify the funders with the priorities that align with your goals. Once you have identified aligned funders, you can move forward with your [strategic funder communication and outreach](#).

## Professional Associations

By joining professional associations or utilizing professional associations' services, organizations can expand their networks, valuable resources, and subject matter expertise. Professional associations have various ways to join, and many have a "Membership" or "Join Now" tab for organizations to review the steps to join.

**Table 2. Professional Associations**

Professional Association	Description
<a href="#">Association of Fundraising Professionals (AFP)</a>	A global organization that supports fundraising professionals through education, research, and advocacy. They also have local chapters in some of the larger markets across the country.
<a href="#">Association of Advancement Services Professionals (AASP)</a>	Dedicated to connecting, informing, and empowering advancement services leaders across all nonprofit sectors.

<a href="#">Association of Donor Relations Professionals (ADRP)</a>	Focuses on donor relations and stewardship, helping professionals build long-term relationships with donors.
<a href="#">Council for Advancement and Support of Education (CASE)</a>	Focuses on educational institutions and provides resources for alumni relations, communications, and development.
<a href="#">National Association of Charitable Gift Planners (CGP)</a>	Specializes in charitable gift planning and offers resources for planned giving professionals.
<a href="#">Nonprofit Leadership Center</a>	Offers nonprofit-related certificates to enhance your skills.
<a href="#">Grant Professionals Association (GPA)</a>	Provides resources and support for grant professionals, including certification and professional development.
<a href="#">The Helen Brown Group</a>	A fundraising research consulting firm that specializes in prospect identification and research for nonprofits. They also have a <a href="#">media library</a> with free resources such as a <a href="#">tutorial on foundation research</a> .

## Example of Funder Selection Criteria

Organization High Road completed its prospect research and wants to cultivate a list of high-priority funders, using the following criteria:

1. **Strategic Vision:** Funders that share at least one of Organization High Road's funding priorities.
2. **Relationship Proximity:** Funders that have a pre-existing connection to Organization High Road and/or there is someone within Organization High Road that can introduce them.
3. **Funding Size & Type:** Funders that can provide a minimum of \$500,000 and offer flexibility in funding use.
4. **Industry Alignment:** Prioritize funders focused on industries that align with Organization High Road's priorities.

Organization High Road will review their prospect research and identify funders that best meet the criteria. In doing so, Organization High Road can leverage the data and start its [strategic outreach and communication strategy](#).