

Leveraging Funds and Project Sustainability

June 25, 2024



About This Project

- Rural Placemaking Innovation Challenge
- Columbia County Placemaking Plan
- Implementation Support through September 2024





Learning Objectives

- Financial planning and budgeting
- Diversifying funding streams
- Evaluating options when a grant is ending
- How to plan for long-term funding needs
- Using partnerships and collaboration to support sustainability
- Documenting in kind contributions
- Documenting matching funds

Our Dilemmas

- Putting ourselves out of business vs. institutional preservation
- Problems are complex
- Change takes time
- Progress can regress
- Outside factors influence our impact



“Imagine if you go to a doctor and say, “I know you are helping a lot of people. I want to support you, but you have to use Number 7 scalpels on your patients. I will only pay for Number 7 scalpels. And morphine for people who need it, but only on Tuesdays. Also, I won’t pay for your salaries, because while I believe doctors are important to saving lives, I prefer to fund only odd-numbered scalpels and morphine.”

Would you consider that to be ethical? Do you know more than the doctor? Do you have a license to practice medicine? Do you think it is right for this doctor to spend half their time trying to figure out who is paying for what instead of doing their work? Is it ethical to restrict this doctor’s funding and make recommendations on treatments when you know that doing so may cause people to die?

For some reason, though people would never tell a doctor, or a carpenter, or a mechanic, or other professionals what to do, it seems perfectly OK to do this to nonprofit professionals. When you restrict funding, you send a clear message to us: “We don’t trust you to know how to best do your job. In fact, we know more than you do.”

We are not doctors, but our work significantly affects people’s lives, and many of us are trained, credentialed, and experienced in doing this work. We must have the flexibility to use our skills and experience and whatever resources and tools are most effective to address the various challenges facing our communities. ”

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Funding Dilemmas

- Not paying for general operating support
- Not paying for salaries
- Complex reporting and documentation
- Lack of experience in the field
- Pressures from trustees or board members
- Public scrutiny
- Siloed funding
- A needs to come before b, but a needs to happen after before c, and c needs to happen after b



Creating Endings

- Phasing
- Segmenting
- Time- based activities
- Themes





Diversifying Revenues

- Grants
- Loans
- Bonds
- Tax credits
- Program income
- Local community support

What is Leverage?

- Open up access to additional funding opportunities
- Improve ROI (return on investment)
- Demonstrate support for and impact a project



Match Vs. Leverage

- Match - funding needed in order to access another funding resource
- Leverage - funding accessed as the result of having a particular funding resource



How Leverage Works

- Because a municipality successfully managed a federal grant, they could demonstrate capacity to another federal agency and get higher points to access their funding
- An individual donor's circle of friends contributes to an organization because they trust the judgment of their friend
- A business gets recognized for their support of an organization, positively impacting their bottom line, which encourages another business to also invest in the organization



The Levers

- Trust
- Credibility/Reputation
- Relationships
- Visibility
- Capacity
- Results
- Impact



Types of Leveraged Funds

- Cash
 - Committed
 - Anticipated
 - Federal, state, local
- In Kind
 - Space
 - Equipment
 - Materials
 - Services
 - Partnerships
 - Intellectual property



Documenting Leverage

- Signed letters on letterhead
- Grant agreements
- Award letters
- Reports



Sustainability

- Ability to continue operations after a funding resource ends
- Ability to maintain and fully utilize equipment or facilities



Planning for Grant Endings

- End the program
- Scale back
- Change/expand the program - new people, places
- Fold the program into something bigger
- Move on to the next phase



Partnerships

- Sharing staff
- Sharing space
- Creating access to programs or services
- Creating access to people/participants
- Working collaboratively to solve a problem



Healthy Partnerships

- Clear expectations (MOU, subaward agreement, etc.)
- Clear goals and objectives
- Clear benefits to both/all parties
- Open and respectful communication
- No or fully disclosed conflicts of interest
- Process for resolving disagreements
- Reporting system (formal/informal)



Financial Tracking

- Beginning and end dates
- Uses of funds
- Additional funding opportunities
- Funds secured



Questions





How to Reach Us

Angela Callie

(610) 659-6817

acallie@hailstoneeconomic.com

Jessica Aviva, Ph.D.

(484) 225-4929

jdreistadt@hailstoneeconomic.com