



Getting Started with Fundraising: Guidance for ECBOs

This guide, developed by Switchboard in partnership with Karen Organization of San Diego (KOSD), describes how ethnic community-based organizations (ECBOs) can diversify their funding sources to improve organizational sustainability and outlines strategies for fundraising within various funding mechanisms while considering the specific challenges that ECBOs face.

What is Fundraising?

Nonprofit organizations like ECBOs derive much or all of their budget from **fundraising**, or the seeking of financial or in-kind support from individual or institutional donors to promote organizational goals, including programming and expansion.

Fundraising Regulations

Fundraising is a regulated activity. While the IRS lists [federally applicable fundraising guidelines](#), fundraising activities are primarily regulated by state law.

Most states require nonprofit organizations to register with the state before they solicit donations. Before engaging in any fundraising activities, consult with

[state charity officials](#) to check the charitable solicitation registration processes in the state(s) where your organization operates. Once an ECBO is registered with the relevant state(s), staff can explore different funding mechanisms to identify which ones best align with their goals and needs.

Grants

A **grant** refers to funding provided to an organization that is not expected to be repaid. Grants are typically awarded after an organization undergoes an application and evaluation process and may be provided by the federal government, state or local governments, private foundations, or corporations. They usually have requirements for their awardees, including reports on how funds are used.

Key Fundraising Terms

- **Foundation:** a nonprofit or trust that provides funding and support to other nonprofit organizations through grants
- **Grant:** funds awarded to nonprofit organizations from public or private sources; these funds are not repaid
- **Restricted funding:** funds that can only be used for a particular purpose, which may be designated by the donor or awarding organization
- **Unrestricted funding:** funding that is not designated for a specific purpose and can be used to support any part of an organization
- **Private funding:** funds from the private sector, such as from individuals, companies, or charitable foundations
- **Public funding:** funds from the public sector (i.e., local, state, or federal government agencies)
- **Cooperative agreement:** type of agreement that requires involvement from the awarding agency in the use of awarded funds
- **Contract:** type of agreement that requires the recipient to deliver a return benefit (such as property or services) to the funder
- **Individual donor:** private individual who donates to support nonprofit fundraising; these may be one-time or recurring donors who may offer small or major donations
- **Corporate donor:** corporate entity that donates funds, often in exchange for marketing opportunities
- **Contributions in kind (CIK) or in-kind donations:** non-cash donations made to a nonprofit; these may include donations of goods, services, time, or expertise
- **Matching funds or match:** a condition of a grant that the recipient raise a specified amount of funding from other sources
- **Earned income:** revenue from mission-related sale of goods, services, or work

Preparing Grant Applications

Grant applications can be highly competitive. Ensure you set aside sufficient time to complete applications, which may be detailed and involve many steps, especially for grants which award higher amounts.

When compiling your application, start by closely reading the **funding opportunity announcement (FOA)** or **notice of funding opportunity (NOFO)** and ensuring you can adhere to all requirements in the **request for proposals (RFP)**. Review the eligibility criteria, note submission deadlines, and create a proposal development timeline. Your timeline should include a plan to develop and revise all required application elements, including checking your drafts against any available RFP scoring criteria. Many funding opportunities provide contact information for a program officer whom you can reach out to with any questions or requests for technical assistance (TA).

To maximize your chance of receiving grant funding, emphasize how your proposed program aligns with the funder's priorities. You should focus your application on critical community needs and provide a clear plan for meeting them. When appropriate, include letters of support from community members. You may wish to reach out to [ECBOs that have already received grant funding](#) to ask for advice or feedback. If a joint application with another organization could make your proposal stronger, outline how that partnership would work and build your application together.

Grant applications typically require a realistic and detailed budget to implement the proposed program. Clearly justify all necessary expenses in the budget narrative. The Substance Abuse and Mental Health Services Administration (SAMHSA) offers general [guidance and resources](#) on building a successful budget and budget narrative.

Many funders also require you to submit additional documentation as part of your application. Ensure you have access to your ECBO's documentation of nonprofit status as well as policies on procurement, finances, human resources, and client grievances, where applicable. Grants may also require documentation of completed financial audits.

To learn more about preparing grant applications, consider free or lower-cost grant writing trainings available online or in person. Inquire with your local nonprofit association about grant writing consultants near you. Local colleges and universities may also offer relevant classes and resources.

Federal Government Grants

Federal government grants can provide significant financial support to ECBOs. These grant opportunities are highly competitive and require substantial time and organizational capacity to apply. All federal grants are posted on the [Grants.gov](https://www.grants.gov) system. This system can be confusing, so reserve time for training or practice to help you submit federal grant applications confidently.

For support in navigating the federal grant application process, Grants.gov offers a [Grants Learning Center](https://www.grants.gov/learning-center). Before receiving any federal funds, your organization must be registered at [SAM.gov](https://www.sam.gov).

While federal government grants can provide critical support, many are reimbursement-based, which requires organizations to have cash reserved to begin work. Together with the detailed application requirements, this can make pursuing federal funding difficult for newly established ECBOs. Other fundraising options may be a better fit when first getting started.

State and Local Government Grants

State and local government agencies (e.g., cities, counties, and school districts) also provide funding opportunities for local nonprofits. The decentralized nature of these funding mechanisms can make them harder to learn about than federal grants. Reach out to your elected officials, local government representatives, or specific government agencies to share your community's needs and ask for help identifying funding opportunities to address them. These agencies may also offer technical assistance (TA) on grant application processes.

Like federal grants, local government grants are frequently reimbursement-based and require organizations to have initial funding to start working on their projects.

Foundation Grants

Foundations (such as private foundations, family foundations, and community foundations) are non-governmental nonprofits or trusts that provide funding to other nonprofit organizations. While foundations may offer their own programming, they often fulfill their mission through financing other groups.

Foundations may operate nationally or in smaller areas. When exploring potential foundation grants, consider Inside Philanthropy's guides to [key funders related to programming for refugees and immigrants](#) and [humanitarian aid grants](#).

Federal Funders for ECBOs

The [Office of Refugee Resettlement \(ORR\)](#) provides a key source of federal funding for ECBOs, the [Ethnic Community Self-Help grant](#). ORR also provides grants such as the [Refugee Career Pathways Program](#), [Refugee Family Child Care Microenterprise Development Program](#), [Microenterprise Development Program](#), and others.

ORR is an office of the [Administration for Children and Families \(ACF\)](#) within the [Department of Health and Human Services \(HHS\)](#). Other ACF and HHS offices offer additional funding opportunities.

Other potential federal funders include:

- [Department of State \(DOS\)](#)
 - [Bureau of Population, Refugees, and Migration](#)
- [Department of Justice \(DOJ\)](#)
 - [Office on Violence Against Women](#)
 - [Office of Victims of Crime](#)
 - [Office of Justice Programs](#)
- [Department of Education \(ED\)](#)

Consult [Grantmakers Concerned with Immigrants and Refugees](#) for further resources. Your [regional philanthropy-serving organization](#) may be able to provide links to local and regional foundations.

Once you have identified potential foundation funders, visit their websites or subscribe to their newsletters to learn about their priorities, find out what kind of programs were funded in the past, and identify their funding directions for their upcoming funding cycles. You may also attend foundation-sponsored events (such as information sessions, annual meetings, seminars, and networking events) to introduce your organization to key decision-makers within the foundation.

Other Fundraising Mechanisms

Diversifying funding sources supports your ECBO's long-term organizational sustainability. There are many fundraising approaches available that you may want to consider, such as:

Individual Donors

Individual donors are private individuals who give funds to help a nonprofit achieve their mission. This category includes **major donors**, who contribute larger sums, as well as individuals who contribute smaller sums. Individual donors may make a one-time donation to your ECBO or schedule a regular recurring donation, for example on a monthly or yearly basis. Individual donations may also come in the form of **bequests or estate plan gifts**, which are donations that are included in a person's will after they have passed away.

While individual donors do not typically offer the same level of financial support as grants or gifts from corporate donors, together they can provide significant contributions to an organization. Individual donations are often **unrestricted**, meaning that they can be used to support any part of an ECBO's work. This can help to fund overhead costs not usually covered by grants.

ECBOs can use various strategies to build a base of individual donors:

- **Working with your board of directors:** your board of directors should be actively involved in fundraising for your ECBO. Switchboard's toolkit [Developing Your Board To Advance Your Organization's Mission](#) provides tips for getting started.
- **Networking with local organizations:** other groups in your area including religious communities, organizations with similar causes, service clubs, and labor unions may have with established audiences and positive community recognition that newer organizations lack. Ask if these groups are willing to promote your organization and connect you to new supporters.
- **Making direct appeals:** reach out to your network to ask for contributions through letters, emails, and social media posts. Schedule appeal campaigns throughout the year and try linking your appeals to holidays or times of year that are connected to your mission (e.g., International Women's Day, World Refugee Day, or Asian American Heritage Month).

- **Hosting fundraising events:** engage with supporters in person and provide opportunities, where appropriate, for them to connect with members of the communities you serve. Consider aligning your event with a significant date, such as your ECBO's anniversary or a major community holiday. Explore ticketed events, such as cultural performances or dinners, as well as free events that include calls for donations, such as food or craft fairs where community goods are sold.
- **Fundraising online:** online fundraising platforms are easily accessible and allow smaller organizations to reach broader audiences. Use social media to promote your ECBO and build a secure donation form into your website, ensuring that it is easily visible and allows for recurring donations.

Across your work with individual donors, maintain regular communication with those who contribute. Share exciting news, stories from the community, and examples of how their donations impact clients' lives.

Corporate and Local Business Donors

For-profit corporations and local businesses can offer valuable fundraising opportunities for ECBOs. Corporations and local businesses support local nonprofits in different ways that often depend on the size of their organization. Some businesses have formal contribution programs you can apply to, while others make donations based on personal relationships.

Start by identifying corporations—such as banks and major chain stores—that have a presence in your community. Research their past philanthropic activities. Corporations often have community outreach staff or other contacts you can connect with to discuss their upcoming donation cycle and how your organization may fit into their philanthropic vision.

Corporations and local businesses can also provide substantial support through **in-kind donations** of time and expertise. For example, you can inquire with local law firms to discuss their pro bono programs or connect with local employers about volunteer job mentoring or resume workshops.

You can also ask potential corporate donors about supporting upcoming fundraising events, for example by sponsoring a table at a dinner or providing a prize for a raffle. This can generate unrestricted funds or in-kind donations for your organization and provide positive exposure for the sponsor.

Earned Income

Earned income, or funding generated through selling goods or providing services, can provide unrestricted funding for your ECBO and promote economic development within the community you serve. Consider selling products associated with your community, such as handicrafts or food, at organization events or monetizing services, such as interpretation and translation for other organizations. Accurately track and allocate the income from these projects so that part of the proceeds go directly to the community members involved and part go to your organization.

Program Design Resources

Your ECBO needs strong program design and monitoring and evaluation (M&E) to develop quality proposals, meet targets, and demonstrate achievements to future funders. Switchboard and the Monitoring and Evaluation Technical Assistance (META) project have produced many M&E learning resources for refugee service providers, including:

- Self-paced e-learning courses:
 - [Introduction to Monitoring and Evaluation](#)
 - [Developing Theories of Change](#)
 - [Developing Logical Frameworks](#)
 - [Data Analysis and Action Planning](#)
 - [Choosing Data Collection Methods](#)
- Downloadable resources:
 - [Theory Of Change and Logical Framework \(Logframe\) Templates](#)
 - [The Data-Driven & Evidence-Based Program Cycle](#)
 - [M&E Plan Template and Checklist](#)
 - [Developing Strong Program Reports](#)

Maximizing Fundraising Efforts

Developing an effective, sustainable fundraising strategy takes hard work and careful planning from all ECBO staff members. To maximize your efforts, aim to:

- Create a budget for all fundraising projects and set corresponding fundraising goals.

- Create a fundraising calendar to manage deadlines and avoid missing upcoming funding opportunities that are critical to your fundraising strategic plan.
- Work to build long-lasting relationships with various funders, positioning your ECBO as a resource for them, not just a grant seeker.
- Work towards the long-term goal of hiring dedicated development staff who focus on fundraising.
- As you receive funding, focus on successfully delivering the programs you propose. This will build your reputation as a reliable organization that can be trusted with future funding.

Resources

- Council on Foundations: [Fundraising Basics](#)
- National Council of Nonprofits: [Fundraising and Resource Development Guide](#) and [Guide on Ethical Fundraising](#)
- Grants.gov: [Grants 101](#) and [Grant Terminology](#)
- Association of Fundraising Professionals (AFP): [Donor Bill of Rights](#)
- Substance Abuse and Mental Health Services Administration (SAMHSA): [Budget and Narrative](#)
- AFP: [Find a Chapter Contact List](#)
- Department of Energy: [Grants/Contracts Differences](#)
- National Institute of Justice: [Comparing Grants and Cooperative Agreements](#)
- United Philanthropy Forum: [Find Your Regional Philanthropy-Serving Organization](#)
- National Association of State Charity Officials: [Contact List by State](#)

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