

## Frequently Asked Questions – Fall 2020 Grant Cycle

Thank you to the hundreds of our nonprofit partners who attended our Q&A sessions for our summer and fall grant cycles in May and August, respectively. Your pre-submitted and live questions formed the foundation for this document. Should you have additional questions, please email [LongwoodFall2020Questions@longwood.org](mailto:LongwoodFall2020Questions@longwood.org)

### What do you mean by “COVID-informed”?

All requests should now be “COVID informed.” Note that COVID-informed does NOT mean that the request must deal with responding to the coronavirus crisis. Rather, this means that your organization has developed a plan and has crafted a request that appreciates the way COVID has impacted your organization and society (i.e. – it does not assume business as usual). You should also assume that the impacts of COVID will continue to change meaningfully in the coming months and years.

### What is the application process for the fall cycle? When will I receive notice if I am awarded?

Applications are due in our electronic grants management system on September 1<sup>st</sup>, with funding decisions taking place in December. After applying, you will have a Zoom meeting with a Longwood team member to discuss your proposal. Note that there will be no in-person meetings or site visits through the remainder of 2020, for everyone’s health and safety. Since we are expecting a dramatic increase in the number of applications, please know that we are pulling our entire team of five into the grant review process, so you may work with a different Longwood team member than you have in the past. Additional information can be found in the document: <http://www.longwoodfoundation.org/wp-content/uploads/2020/08/Summer-and-Fall-2020-Longwood-Grant-Life-Cycles-At-A-Glance.pdf>.

### In what ways is this cycle similar to other cycles? What’s different?

In general, we choose to practice “passive” philanthropy, which means that we assume we don’t know the best way to improve our region and therefore we let each applicant define success in their own way. From these distinct views of the future, we choose the most compelling in which to invest. None of this has changed because of COVID-19. We don’t believe that we understand the challenges it has created nearly as well as you. Therefore, we want you to educate us and frame your grant requests as necessary to best serve your clients.

### How much do you anticipate distributing in the fall cycle?

The amount to be distributed will be dependent on our assets available in December. Since this is driven by what happens with the economy over the next few months, we are unable to commit to specific amounts. However, we anticipate that there will be millions of dollars available in the fall cycle.

### How competitive will the fall cycle be?

While it is hard to predict, historically, our long-term average is that we have around \$2.5 of demand for every \$1 we have available to give. For context, in the aftermath of the Great Recession, we experienced some cycles with \$4 of demand for every \$1 granted. We may see this level of demand again in 2020.

## **How will the federal stimulus funds awarded to Delaware and New Castle County for coronavirus relief impact the fall cycle?**

We recognize that Delaware and New Castle County collectively received around \$1.3 billion in federal funds for the crisis that must be spent by the end of the calendar year. We are aware that there are discussions of how remaining funds will be spent, but there is no certainty. The allocation of these funds to nonprofit organizations may impact the fall cycle in ways we do not yet understand.

## **Who is eligible to apply?**

The Longwood Foundation accepts grant requests from nonprofit 501(c)(3) organizations located in and/or benefiting the residents, environment, or culture of the state of Delaware and within a four-mile radius of Longwood Gardens in Kennett Square, Pennsylvania. Organizations that have previously applied are asked not to re-approach the Longwood Foundation with a funding request within two years of a previous request, regardless of whether the proposal was approved or declined. Therefore, if you are not eligible for the fall of 2020 because of a past grant request, then your past grant agreement or declination letter governs when you can return to Longwood for another request.

## **If an organization is headquartered outside of the Longwood funding geography, but doing work inside of our region, are they eligible to apply?**

Yes. If you are working to benefit the residents and/or communities in our region, you are eligible to apply. Please describe the nexus of operations and/or benefits that lies within our geography

## **What scale of requests is Longwood willing to entertain?**

In 2019, we issued grants in a range between \$5,000 and \$1 million. The long-term average is around \$150,000. We'll entertain the scale of request you need to succeed but encourage you to use these benchmarks in planning your request.

## **What types of requests will you consider? What sectors or types of organizations will you consider?**

We welcome requests for program, operating, and/or capital funds. We're open to whatever kind of request that is most valuable for your organization and clients. There's no need for you or us to categorize the request. We will accept grant requests from all sectors of the community but have a marginal bias towards those that address human needs.

We welcome traditional outcome-oriented multi-year requests. When considering a request, please consider the range, need, and urgency of different types of requests that will likely also be competing for the same funds. A traditional capital campaign for a new building in the very early fundraising stages that won't be used for public health or a human need may be a difficult sell at this time.

## **If an organization applies for the fall cycle, when can they apply again?**

If you apply for the fall of 2020, you will not be eligible for another request until the fall of 2022 – whether funded or declined. This is effectively the same two-year wait we've always had.

### **How should an organization determine when to apply?**

In addition to considering the other factors in this FAQ, nonprofit organizations should use their judgement and the urgency of their cash needs to determine when to apply. Be thoughtful about when you approach us – you will need to balance how much you know about how demand for your services is changing, prospects and/or collections of funding from other sources, and how much cash and liquid assets you have in hand.

### **When will Longwood's next grant cycle be?**

For 2021, we intend to run our scheduled spring and fall grant cycles – with March 1 and September 1 deadlines, respectively. It is worth noting that, given the sustaining and yet-to-be-seen impacts of the crisis, it is possible that our shifted guidelines continue into the spring.

### **Can organizations meet with a Longwood team member ahead of submitting an application?**

In the past, prospective applicants were able to request pre-meetings to provide the Foundation an update on their planned request and ask questions pertinent to drafting the application. In light of the anticipated demand, there will be no preparatory meetings ahead of the fall grant cycle. However, we have created a special inbox where you can send questions: [LongwoodFall2020Questions@longwood.org](mailto:LongwoodFall2020Questions@longwood.org). We will prioritize answering these questions quickly as you prepare your grant requests. Questions sent to a Longwood team member's personal email may not be returned as quickly as those submitted to this address.

### **Can an organization withdraw their proposal before it goes through the Trustees for a final decision?**

Some organizations have withdrawn a grant application in the past before the Trustees considered it. We will not allow withdrawals from the fall cycle. Once you submit an application, it will be considered. Whether approved or declined, you will have to wait to return until the fall of 2022.

### **What factors will Longwood consider when making its decisions?**

Many factors are considered in the grantmaking process, including (but not limited to): leadership, governance/planning, financial health/sustainability, past Longwood grant performance (if applicable), and the population served. For more information on this, we encourage you to watch the Q&A video in which President Thère du Pont addresses these as continuums: <https://vimeo.com/418996232#t=16m6s>

### **Outcomes, impact, and ambition have historically been an important part of Longwood's grantmaking process. Has that changed?**

For more than five years, specific outcomes and ambitions for them have been the key differentiator in our grant decisions. We continue to be very interested in those. But another way to think about them is this question: What is your Board holding the leaders of your nonprofit accountable for in the next 18-24 months as a result of this grant?

- If it's as simple as seeking the cash to survive to month 6, then that's what the request should be about – and the outcomes the impact you will have in that time.
- If it's about serving many more people because of COVID, then focus on those outcomes.
- If it's about adopting a new service model because of COVID, then describe how you are going to measure the successful execution of that model.
- And, of course, there are infinite variations of these ideas that depend greatly on the services you provide and the impact of COVID on those you serve and how you serve them.

### **How should organizations think about the timing of proposed outcomes?**

The timing of your outcomes should coincide with the length of the grant. Funds for this cycle may not arrive until January 2021. Outcomes tied to this grant request should not start before that date. Additionally, we ask that before you return to Longwood with a future request that performance against your last grant is known. Given that most organizations in this cycle will not be eligible to reapply until the fall of 2022, we suggest your proposed outcomes span the time interval between January 2021 and summer 2022. Should you have questions related to this point, please email [LongwoodFall2020Questions@longwood.org](mailto:LongwoodFall2020Questions@longwood.org).

### **Will you fund existing work?**

Yes, but it is less likely to be funded than work that has been reconsidered and/or adapted as a result of the COVID crisis.

### **Will you consider requests above 50% of the project/operating cost?**

We continue to want to pay no more than 50% of the cash needed to a project or operations over the time period you define but will consider investments greater than that if the need is very compelling.

### **Will you be concerned about the sustainability of our request?**

We are always interested in the ongoing financial health of an applicant. However, we recognize that the COVID crisis has created significant strains on many organizations and will accept requests that have only a short-term duration. That said, a request that shows financial sustainability beyond the expiration of Longwood's funds is more likely to be funded than one that does not.

### **What financial information will an organization need to apply?**

The application will ask for several financial documents, including the last audited financials, a balance sheet as of July 31, 2020, a two-year cash flow for the organization (presented quarterly or monthly), and a two-year cash flow for the project/program specified in the application (if the application is specific to a project or program). If the organization has not received an audit, the last two years of profit-and-loss statements may be submitted instead.

We've always asked for a two-year cash flow projection as part of our grant application. It takes on increased importance in these challenging times. You should begin investing time into that cash projection now if you have not already. Work with your financial experts to understand expected cash inflows and outflows over the next eight quarters. Keep track of the assumptions you use. We know it won't be perfect, but it's likely to be very different than the one you would have shared before the crisis. Note that this is a critical tool for you to manage your organization — not only a significant part of your application to us. On the page linked here is DANA's cash flow management tool and guidance: <https://delawarenonprofit.org/financial-health/>. This format is not required, but it is an acceptable format if no others are already in hand.

### **How should nonprofits handle uncertainty when making cash flow projections?**

We recognize that there is significant uncertainty about your future fundraising capacity. This likely includes limited ability to hold events. Your cash flow forecast should make an assumption about how these revenues change vs last year and we will incorporate those assumptions into our decision-making process. You will be asked to name any assumptions in the application. This pandemic is not going away any time soon. If you decide to submit a grant request, don't assume everything will return to normal on January 1<sup>st</sup>. As best as possible, attempt to plan and think long-term.

### **How should organizations think about “old” service models versus “new, COVID informed” ones when putting together a request?**

We encourage you not to assume your organization will be returning to the “old” model in the foreseeable future. None of us know how the virus and its aftermath will evolve. For the time span of a grant request in this fall cycle, it seems likely you’ll be at least in a pre-vaccine model and more likely a permanent, new normal in the months and years to come.

### **Should nonprofits partner with one another and/or will Longwood favor organizations that have partnered?**

We believe it’s likely that there will be more demand for services from nonprofits and less sources of funds in the years to come. Therefore, it’s logical that new forms of partnerships should be explored and/or executed in the months to come. However, partnering is not a simple exercise. It can make execution more complicated and sometimes reduce the likelihood of success. So, it’s not for everyone. We encourage you to explore any and all solutions that benefit your clients. If you do partner, as always, there needs to be a lead organization that is primarily accountable for the results. They should be the applicant organization.

### **Will Longwood reimburse for previously purchased items, such as PPE?**

No, we will not. However, it’s acceptable to make a request for future funding in part motivated because of the required purchase of items such as PPE in the recent past.

### **Will you fund scholarships for students whose families may be experiencing hardship?**

It’s been our practice not to fund scholarships. It remains highly unlikely that we will.

### **Will you provide economic relief for individuals (e.g. relief or direct support for vulnerable/impacted communities)?**

It’s been our practice not to fund such programs. It remains highly unlikely that we will.

### **Will Longwood offer challenge grants?**

If the Trustees decide to fund a grant and the applicant has requested a challenge or match format, the Trustees generally find this feature attractive.

### **If funded, what are the reporting requirements?**

For those who are currently delivering on a grant already provided by Longwood, reporting requirements have been suspended for the foreseeable future — we don’t need to hear from you nor do we expect to! At some point in the next year and a half, we expect to restart reporting requirements for all past grantees as well as grantees awarded in the fall cycle. Therefore, you should assume that we’ll want to hear an update on your progress at about 15 months after the grant (March 2022). There is no need for follow up before that. At approximately 18-20 months post-grant (summer 2022), we will also schedule a grant closeout meeting with each grant recipient. This meeting will include a discussion on progress against the proposed outcomes of the grant, what the recipient has learned in the process, and seek suggestions for how the Foundation’s grant making process can be improved.