

# Funding Your Program

For most nonprofits, fundraising is a constant challenge. A healthy nonprofit, however, will have highly diversified sources of funding, including individual donors, foundations, corporations, and the government. Continuums of Care (CoCs), and the organizations that comprise them, are no exception. A large number of CoCs rely heavily on McKinney-Vento dollars, but there is pressure on continuums to identify new resources to keep pace with ever-growing needs.

- **Homelessness Prevention and Re-Housing Program (HPRP)**

HPRP provides a unique opportunity to create housing search programs. Funding can be used for housing search activities, rental assistance and other financial assistance, and follow-up case management. Funding is provided by HUD to City, County, and State jurisdictions. HPRP is one-time funding that must be utilized by September 2012 or sooner. Visit the [HPRP Page](#) on the OneCPD Resource Exchange for more information.

- **McKinney-Vento/Supportive Housing Program (SHP)**

A number of the housing search programs interviewed for this project relied heavily on SHP funds to operate their programs. (Review [eligible activities](#) under the program.)

The advantage of using McKinney-Vento dollars is that it is a dedicated funding stream for homeless activities and services. The disadvantage, however, is that continuums are bound by HUD rules regarding whom they can serve and for how long. For example, a housing search program funded with SHP funds would lack the flexibility to serve individuals or families that are at high risk of becoming homeless but do not meet the HUD definition of homelessness.

Additionally, continuums not currently funding housing search activities with their McKinney-Vento allocation may have to reduce funding for an existing program since most continuums' dollars are tied up in renewals. Of course, cutting a program's funding is a difficult decision, especially if it means losing beds.

Because of these limitations, it is wise for continuums to tap into as many different resources as possible. Not only will this give their program more flexibility, but it also makes them much less vulnerable should they lose one of their funding sources.

## **SHP Funds**

SHP funds can be used for activities such as:

- salary of a case manager or housing advocate (also referred to as housing specialist or housing coordinator)

- security deposits
- first and last month's rent
- vehicle leasing or purchase and operation (when used for transporting clients)
- mileage allowance for service workers to visit participants at home

- **Private, Corporate, and Community Foundations**

The housing search programs that we spoke with reported tapping into private, corporate, and community foundations for support. While navigating the foundation world can seem daunting, there are a number of resources available to help.

The Foundation Center's [Foundation Directory Online](#) allows users to search records on approximately 80,000 grantmakers. Using a number of different search options, users can identify funders' key areas of interest (e.g., housing, homelessness, family self-sufficiency). Users can also search funders according to geography, since certain funders target donations to specific cities and states. The directory provides specific information concerning what types of grants are available (e.g., seed money, general/operating support, program development, in-kind support), the application process, and who to contact for additional information. The Foundation Directory Online is available for a subscription fee, but a similar version can be accessed free of charge at one of five Foundation Center libraries and at more than 200 [partnering libraries](#) nationwide.

After identifying grantmakers interested in issues related to housing and homelessness, the next step is preparing and submitting a proposal. Always be sure to check the grantmaker's application process and deadline, as it varies from one grantmaker to the next. There are extensive internet resources available that provide guidance, tips, and tools to help with preparation of proposals. The [Foundation Center](#) provides a comprehensive list of electronic resources (including online tutorials, articles, and sample proposals), as well as information on classes and workshops on topics related to grantwriting and fundraising. Also, visit the Free Management Library's [Nonprofit Fundraising and Grantwriting](#) page for a wealth of information on all topics related to fundraising.

- **State Resources**

A third source of support that a number of housing search agencies mentioned was state programs and resources. For example, one continuum in the Midwest relies heavily on state resources to fund their housing search program. Individuals not familiar with the programs in their state should contact their [local housing finance agency](#) for information.

- **Partnering With the Local Public Housing Agency**

Finally, continuums may want to consider collaborating with their local Public Housing Agency (PHA). Assisting families in locating and leasing units is an important component of a successful housing choice voucher program. Through special programs such as HUD's Moving to Opportunity for Fair Housing Demonstration (MTO) and Regional Opportunity Counseling (ROC), PHAs have made great strides in understanding and addressing the needs of families in search of housing. Moreover, there is significant overlap between the populations served by a PHA and a CoC, but PHAs may have access to resources that CoCs do not (e.g., voucher administrative fees). As a result, there may be an opportunity to jointly fund a housing search program that serves all low-income individuals and families in the community. Use the HUD website to locate the [PHA in your community](#).

**Select each source of support and its embedded links above to learn more.**