

8 Common sources of c4 funding for nonprofits

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Recognizing the need for nonprofits to develop the capacity for complementary c4 work is one thing, raising the funds to carry out that work is another. This tip sheet identifies common sources of c4 funding for c3 groups new to that world.

1. Start close to home.

Contributions from members and individual donors are the best source of stable and flexible funding. In other words, ask the people who already give you c3 donations to give you c4 donations as well. For donors who aren't able to make additional gifts, consider having them shift from c3 to c4 donations. Under the 2017 tax law, small- to mid-level donors are far less likely to be itemizing deductions, so **there's no tax advantage for them to make deductible c3 contributions versus non-deductible c4 ones.**

You can also research the political giving of your large and major c3 individual donors. This will give you a sense of the potential scale of their giving and also their political leanings. You can assess individuals' giving capacity via campaign contribution databases, which are generally housed at secretaries of states' websites (e.g., [Arizona](#), [California](#), [Florida](#), [Michigan](#).) Ask board members or other supporters if they know any of the people on candidate donor lists. That way, you can reach out on the basis of a personal connection rather than appearance on these lists. (It's against federal and many state laws to solicit donors just from information on the lists.)

The most helpful national sites for tracking contribution data are Center for Responsive Politics' [Open Secrets](#) (and their [Dark Money](#) site for c4 money) for federal elections, and the National Institute on Money in Politics' [Follow the Money](#) site, especially for state-level data. (Because of the additional coding they do, these sites are not as close to 'real time' as the state sites.)

Last but not least, you can ask sympathetic elected officials to host events for you and introduce you to donors.

“501c4 organizations can provide activists with more tools to advocate for change than the more well-known 501c3 organizations: A 501c4 can engage in all the activities a 501c3 can — and more. These organizations can engage in unlimited amounts of lobbying, which includes supporting or opposing ballot measures, and can also support or oppose candidates for public office.

Often, the partisan activity that 501c4s engage in is absolutely necessary to bring about policy change. For example, if a state’s legislative body consists primarily of climate change deniers, no environmental advocacy organization is likely to persuade them to pass green legislation, no matter how compelling their arguments. In instances like this, where issues are politicized, a change in elected leadership is often crucial for advocacy to succeed.”

NIKHIL PILLAI

*Counsel, Bolder Advocacy Initiative
in Nonprofit Quarterly*

2. Look to trustees of private and family foundations who already support your c3 work.

Some foundations’ family members are on the boards or still lead their private foundation giving. These people have already bought into your strategy, and would consider a personal gift over and above the grants you receive through their foundations.

3. Most progressive public foundations now have c4 affiliates, alongside c4s set up by major philanthropists to complement the work of their private foundations.

They include [Tides Advocacy](#), [Civic Participation Action Fund](#) (spun off from Atlantic Philanthropies), [See Forward Fund](#) (Solidago), [Proteus Action League](#), [Open Society Policy Center](#), [Sixteen Thirty Fund](#) (managed by Arabella Advisors) and [Democracy Fund Voice](#).

Note, however, that there is a significant difference between c4 foundations like Open Society Policy Center and c4 fiscal sponsorship platforms like Sixteen Thirty Fund or Tides. The former operate like foundations in that they shape their own programs and priorities, issue RFPs, etc. The latter house projects that oversee their own grantmaking independently, so you can’t just call up the sponsoring entity and inquire about funding opportunities.

Your best leads will likely come from allies in your field of work who are willing to share funding information with you and introduce you to new sources, especially where you’re collaborating on campaigns.

4. C4 health conversion foundations.

Especially if you’re working on health-related issues (which can be quite broadly interpreted for those that focus on the ‘social determinants of health’) a growing number of c4 foundations have been created through the conversion of nonprofit to for-profit hospitals. Examples include Oregon-based [Northwest Health Foundation](#) and the newly emerging [Group Health Foundation](#) in Washington State.

A broader list of conversion foundations can be found [here](#); while only a small percentage are c4 social welfare organizations, roughly half are c3 public charities, which means that they can give a portion of their support as lobbying grants.

5. Money is increasingly moving through channels other than traditional private foundations, including LLCs and various hybrid structures.

Some of these philanthropies are large, institutional and visible (e.g. [Open Philanthropy Project](#), [Emerson Collective](#) and [Chan Zuckerberg Initiative](#)), while others operate below the radar. The question of how you locate those latter funders is of course the big challenge: most do not accept unsolicited proposals. Here too your best leads will come from your nonprofit allies.

6. Allied national and local organizations and labor unions.

A good portion of funding for state legislative and ballot measure campaigns comes via intermediary organizations, and national and local allies. These include major issue advocacy organizations like the ACLU or the League of Conservation Voters; labor unions like SEIU; and national organizing groups and networks like Community Change or Center for Popular Democracy. [America Votes](#) is a national network of c4 state-based coalitions focused on building progressive power and winning issues, and providing or directing funding to state allies.

7. An expanding array of groups have emerged recently to steer c4 money into organizations working on the ground in key states and races around the country.

Getting on their radar can attract significant funding if you're in the right place at the right time. These include [Way to Win](#), [Movement Voter Project](#) and [Black Voters Matter Fund](#). And, to be ready if your organization suddenly finds itself in the spotlight and has an opportunity to raise very large numbers of donations via social media, set yourselves up on platforms such as ActBlue's c4 platform ([ActBlue Civics](#)).

8. National and state "donor tables."

Alongside Democracy Alliance, Committee on States is a network of state tables bringing together progressive donors in states across the country. These include the [Arizona Donor Alliance](#), [California Donor Table](#), Georgia Alliance for Progress, [Progress Alliance of Washington](#) and [Texas Future Project](#).

Additional resources:

For the ins and outs of the legalities on c4s versus c3s, Alliance for Justice's [Bolder Advocacy](#) project is the best go-to source of information and recommendations.