

**SUPPORT GRANTEES THAT LOBBY,**

**AND YOU KNOW WHAT WILL HAPPEN ?**





**BETTER  
PUBLIC  
POLICY.**

“Lobbying accelerates positive change—whether it’s in health care or the arts, conservation or global security. That’s why we support nonprofits that employ the full range of tools permitted by law—including lobbying—to impact public policy.”

STEPHEN HEINTZ, president, Rockefeller Brothers Foundation

“As a small foundation, we’ve found supporting nonprofit advocacy to be our most effective funding strategy. Grantees who lobby can leverage every dollar of our support to make an impact.”

WINSOME D. MCINTOSH, vice president, The McIntosh Foundation

“Knight Foundation encourages grantees’ full, legal participation in public policy and all aspects of public life.”

HODDING CARTER, president and CEO, John S. and James L. Knight Foundation

“It is not enough for grantmakers to support the service delivery arm of hard-working nonprofit organizations. We’ve got to recognize that educating public policy-makers is part of our responsibility and is crucial to our success.”

EMMETT D. CARSON, president and CEO, The Minneapolis Foundation

## Give your grantees the green light when it comes to advocacy.

Foundations have helped the nonprofit sector achieve enormous and lasting successes—for the environment, the arts, social justice, community renewal, consumer protection, public safety, and civil rights.

But if your foundation does not fund advocacy—if your grant letters specifically prohibit any funds from being used to influence legislation—you're missing a critical component of grantmaking activity.

Lobbying by nonprofits brings stakeholders to the table so they can participate in shaping policies that affect them. It makes government accountable to the common good and allows under-represented constituencies a voice in the process. What's more, if you discourage lobbying by grantees, you're not exercising your foundation's full rights under the tax laws.

### You can do this.

There's a big myth about funding advocacy—that doing so is illegal and can even compromise a foundation's tax-exempt status.

But the Internal Revenue Service has made it clear: All charities are permitted to do at least some lobbying. There are limits, but they're more generous than you think. And foundations may allow nonprofits to use grants for lobbying and other advocacy activities.

In fact, there are several ways you can help your grantees to maximize their ability to lobby. For example, you can encourage them to elect 501(h) status, which requires filing a simple, one-page form with the IRS.

Supporting nonprofits that lobby isn't just "legal"—it's important, powerful, and fundamental to democracy. It's a discussion that belongs on your foundation's agenda. And the Alliance for Justice's Foundation Advocacy Initiative can help you get started.

## Get answers to your questions.

The Foundation Advocacy Initiative of the Alliance for Justice can answer questions foundation boards and staff may have about legally supporting nonprofit public policy work, including:

- What are the best ways to support advocacy?
- May grant proposals mention lobbying activities or intentions?
- May grantees discuss lobbying activities in their reports to foundations?
- May a foundation itself ever lobby on legislation?
- How do we handle grantee budgets that contain a line item for lobbying?
- What are a foundation's responsibilities and risks when their grantees lobby?

## Here's how you can take advantage of our extensive resources.

- **Call us toll-free at 866-NP-LOBBY (866-675-6229) or e-mail us at [fai@afj.org](mailto:fai@afj.org)** for more information on how to fund projects that have a lobbying component.
- **Invite us to conduct a workshop** in your area to help foundations and nonprofits learn more about IRS guidelines.
- **Ask us for a copy of a model grant agreement letter** that protects your grantees' ability to lobby.
- **Visit the "Foundation Advocacy" page at [www.allianceforjustice.org](http://www.allianceforjustice.org)** to find out more and request a copy of one of our comprehensive publications to assist foundations in supporting advocacy activities.
- **Give your grantees AFJ's free book** on implementing the 501(h) election, *Worry-Free Lobbying for Nonprofits*.



"By funding nonprofits that lobby, we help give them and their constituencies a powerful voice in the public policy debate."

GAYLE WILLIAMS, executive director, Mary Reynolds Babcock Foundation

The Alliance for Justice is a national association of public interest organizations spanning a range of issues, including civil rights, social justice, and consumer and environmental protection.

Representing this broad constituency, the Alliance for Justice promotes a fair and independent judiciary and strengthens public interest advocacy.

Founded in 1979, the Alliance for Justice works closely with public interest organizations, social service networks, foundations, the legal community, and community-based organizations that promote citizen engagement in public policy.



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