Inside Philanthropy

## What is Program or Project Support?

- Support for a specific set of activities.
- A limited gift or grant.
- Gives funders more control.
- Gives nonprofits less flexibility.
- Can lead nonprofits to shape their work to funder priorities.

Program or project support is a gift or grant given for a specific set of activities. Depending on the mission of the nonprofit, examples could include a research project, an art workshop, or providing mental health counseling for at-risk youth. The grant usually defines clear project parameters, including start and end dates, explicit objectives and a precise budget. The funds may not be used for any other purpose without funder consent.

### What's the point of restricting support in this way?

Program or project support gives funders more control and influence. They can clearly see the impact of their funding in a specific timeline and with clearly established outcomes. It can give funders a sense of ownership or pride around a particular endeavor that aligns with their mission and vision. And it ensures funds are used only for the project the funder supports, and not for some other project or purpose that they may not be as aligned with or excited about.

### What are the downsides?

Nonprofits have less flexibility with program or project support. Once a grant agreement is made, they cannot use the funds for any other purpose.

When a lot of funders want to give program or project support and few want to fund overhead, staff salaries, or the other things that make a nonprofit run, an organization can struggle to sustain itself, even while being committed to execute a bunch of specific programs or projects.



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In some cases, being reliant on program or project support leads nonprofits to tailor programs to what funders want, which may not be the same as what the community needs.

### What's the alternative?

Program or project support is by far the most common in the philanthrosphere, but there are plenty of alternatives, including general operating support and capacitybuilding support, which offer added flexibility to the grantee to use appropriated funds.

### You may also want to check out:

- GOS vs project support
- What is general operating support?
- What is capacity-building support?
- What is multiyear funding?

