



UNRESTRICTED FUNDING GUIDE FOR NONPROFITS & SMALL BUSINESSES

01.

What is Unrestricted Funding?

Unrestricted funding is flexible money that organizations can use however they need — whether it's paying staff, keeping the lights on, upgrading technology, or launching a new program. Unlike restricted grants (which must be spent on specific projects), unrestricted funds fuel sustainability and innovation.



02.

Why It Matters

- Keeps the doors open — covers rent, payroll, and admin.
- Strengthens capacity — allows investment in training, systems, and staff wellness.
- Builds resilience — creates financial stability during funding gaps.
- Encourages innovation — lets leaders test new ideas without funder constraints.



03.

Where to Find Unrestricted Funding

Here are common sources to explore:

- ♦ Foundations & Funders
 - General Operating Support Grants — many funders now understand the importance of flexible dollars. Examples: Ford Foundation's BUILD program, MacArthur Foundation, regional community foundations.
 - Capacity-Building Grants — offered by funders like Vitalyst Health Foundation and the Weingart Foundation, often structured as unrestricted.
- ♦ Corporate Giving
 - Community Impact Grants (e.g., APS, Walmart Spark Good, Whole Foods Market Store Giving) — typically flexible to support operations.
 - Corporate Sponsorships — unrestricted when tied to events or organizational visibility.
- ♦ Government Opportunities
 - Some federal and state agencies allow indirect cost recovery (like overhead and admin expenses). Negotiating a higher indirect rate can effectively create unrestricted funding.
- ♦ Community & Crowdfunding
 - Individual donors often give unrestricted gifts. Recurring donor programs, membership models, or crowdfunding campaigns can be positioned as “support our mission” rather than project-specific.





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04.

How to Position Your Organization for Unrestricted Support

- Tell your story well – show how operations = impact. Example: “Every dollar keeps our youth center open and safe.”
- Measure organizational outcomes – not just program results. Highlight your growth, efficiency, and ability to serve more people.
- Build trust with funders – transparency in reporting makes them more likely to grant unrestricted dollars.
- Bundle asks – pair project funding requests with a general operating line item.



05.

Quick Tips for Small Businesses

Unrestricted funding opportunities are rarer for for-profits, but possible:

- Community development grants – some local and federal programs (like CDFIs) provide flexible capital.
- Pitch competitions & incubators – funding often comes as unrestricted seed money.
- Corporate supplier diversity programs – can include grants or sponsorships.



06.

Resources & Tools

- GrantStation – searchable database with filters for unrestricted support.
- Candid/Foundation Directory Online – check funder 990s for evidence of general operating support.
- Local community foundations – often fund capacity building or operations.
- Sun State Consult’s Monthly Grant Calendar – highlights upcoming unrestricted opportunities.

