

Before You Begin to Write:

Preparation for Grantwriting
The Magi Group, LLC
OPGS Grantwriting Class

Objectives



- To develop a cache of standardized documents in preparation for proposal writing.
- To have a standard set of office supplies/equipment in preparation for proposal writing
- To learn how to conduct external environmental scans in preparation for proposal writing.
- To learn how to conduct internal environment scans in preparation for proposal writing.

Advance Preparation:



- Shortens the amount of time necessary to write a proposal.
- Reduces the potential stress of proposal writing.
- Identifies opportunities or barriers that will impact your response to funders.
- Identifies agency strengths that should be maximized or shortfalls that must be addressed to submit a competitive proposal.

Organizational Documents (Governance)



- Articles of Incorporation
- 501(c)(3) tax status documentation
- Duns & Bradstreet Number
- Tax ID Number (TIN)/Employer ID Number (EIN)
- Current Business License
- Certificate of Good Standing (Department of Consumer and Regulatory Affairs)
- Certificate of Good Standing (Office of Tax and Revenue)
- Clean Hands Certification

Organizational Documents (Governance)



- System for Award Management (SAM) registration
- Grants.gov registration
- By-laws
- Current board roster with affiliations of board members (Signed by certifying official)
- Committee charters and responsibilities
- Written vision, mission statements for the organization
- Current Board-adopted strategic plan
- Current year operational plan, including staff work plans

Fiscal



- Most recent IRS 990 tax return
- Organizational Budget (organizational budget/actual budget, revenues and expenses)
- Statement of Financial Position (Balance Sheet)
- Statement of Activities (Income Statement)
- Audited Financial Statement for previous year
- Indirect Cost Rate (negotiated letter)
- List of Current Funding Sources
- Fiscal Policies and Procedures

Personnel



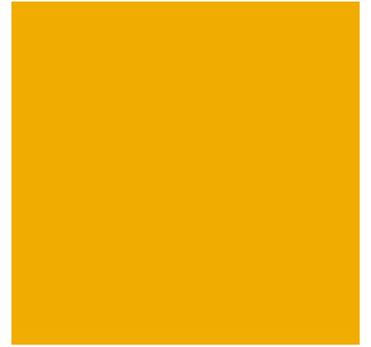
- Job descriptions for all staff positions
- Resumes of all staff in standardized format (updated)
- Bios of all staff members
- Policy and Procedure Manual
- Volunteer Manual
- Staff organization chart

Programmatic



- Program history
- Program intake/assessment forms
- Programmatic Procedures (from enrollment to closure)
- Logic Model
- Community needs assessment
- Program evaluation reports (outcome measures)
- Policies regarding client involvement in planning and decision-making
- Results of latest client satisfaction survey or assessment

Communications



- Agency History
- Annual Report
- Program Brochure
- Agency Outreach materials
- Press clippings/articles

Collaboration



- List of collaborative partners and roles
- Current Memoranda of Agreement (MOA) or Memoranda of Understanding (MOU)
- Referral protocols and policies

Management Information Systems (MIS)



- Management Information Systems (MIS) overview
- MIS Security and Protocols
- Data Collection Procedure
- Data Storage and Security

Facilities



- Certificate of Occupancy
- Deed of Ownership
- Rent/lease agreement
- Tenant policies and/or occupancy agreements
- Proof of Liability Insurance

Grantwriters Toolkit



- Three Ring Binders
- 8 1/2 x 11 Letter Paper, White (Three ream min)
- Binder Clips (Assorted Sizes)
- Toner and Ink Cartridges (Two sets)
- Tab File Dividers
- Scanner w/ Form Feeder
- Printer
- CD-Recordable Disks w/ Labels
- CD Sleeves
- Shipping Labels
- 9 x 12 Envelopes (min. size)
- Flash Drive
- Blue Pens
- Stapler w/ staples
- Copier or Print Shop Account

Environmental Scans



- PEST Analysis
- SWOT Analysis
- McMillan Program Matrix
- Organizational Review

PEST Analysis



- An external analysis that examines the political, economic, social, and technological environment
- Conducted prior to a SWOT analysis
- Useful for understanding the position, potential, and direction of your organization or programs in light of the environment.
- Requires concrete, objective data

SWOT Analysis



- **Strength:** attributes of the organization that are helpful to achieving its objective.
- **Weaknesses:** attributes of the organization that are harmful to achieving its objective
- **Opportunities:** *external* conditions that are helpful to achieving objectives.
- **Threats:** *external* conditions that are harmful to achieving objectives

McMillan Matrix



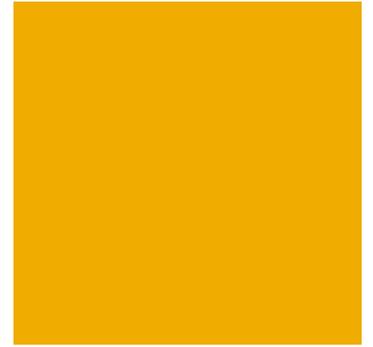
Based on the assumption that duplication of existing comparable services among nonprofit organizations can fragment the limited resources available, leaving all providers too weak to increase the quality and cost-effectiveness of client services. (unnecessary competition)

- Are we the best organization to provide this service?
- Is competition good for our clients?
- Are we spreading ourselves too thin, without the capacity to sustain ourselves?
- Should we work cooperatively with another organization to provide services?

Examines Fit, Program Attractiveness, Alternative Coverage, and Competitive Position

McMillan Matrix

“Fit”



Fit is the degree to which a program "belongs" or fits within an organization. Criteria for "good fit" include:

- In line with the purpose and mission of the organization
- Draws on existing skills in the organization
- Share resources and coordinate activities with programs.

McMillan Matrix

“Program Attractiveness”



Program attractiveness is the degree to which a program is attractive to the organization from an economic perspective

- High appeal to groups capable of providing current/future support
- Stable funding
- Demand from a large client base
- Appeal to volunteers
- Measurable, reportable program results
- Focus on prevention, rather than cure/treatment
- Able to discontinue with relative ease, if necessary
- Low client resistance to program services
- Intended to promote the self-sufficiency or self-rehabilitation of client base

McMillan Matrix

“Alternative Coverage”



Alternative coverage is the extent to which similar services are provided.

- If there are no other large, or very few small, comparable programs being provided in the same region, the program is classified as "low coverage."
- If there are large, or several, comparable programs being provided in the same region, the coverage is "high."

McMillan Matrix

“Competitive Position”



Degree to which the organization has a stronger capability and potential to deliver the program than other agencies

- Good location and logistical delivery system;
- Large reservoir of client, community, or support group loyalty;
- Past success securing/raising funding particularly for this type of program
- Superior track record (or image) of service delivery/quality
- Large share of the target clientele currently served;
- Superior skill at advocacy and/or local contacts
- Superiority of technical skills needed for the program;
- Superior organizational skills;
- Ability to research and/or properly evaluate program performance;
- Superior ability to communicate to stakeholders
- Cost effective delivery of service.

Common Understanding



- Getting money from funders is not begging. A funder is a partner.
- You have a job to do, and you have the ideas, commitment and skills to do it, but you need resources.
- The funder has a mission to achieve, but they lack the ability to do the work themselves. They need to find the right projects to give money to help them achieve their mission.
- By giving you money, a funder meets their own goals. **They need you!**

Why Proposals Are Not Funded



- Problems with the Proposal:
 - Applicant did not clearly demonstrated the organization's track record and ability to carry out the project.
 - Need to be addressed or the problem to be solved was not presented convincingly.
 - No indication of buy-in or participation from the community being served.
 - Weakness in other portions of the proposal: budget, goals and objectives, methodology, evaluation, etc.

Why Proposals Are Not Funded



Project is Outside the Funder's Field of Interest

One of the most troubling reasons for a high rejection rate is the large number of proposals which clearly fall outside the funder's field of interest.

About 65% of proposals received by large funders are not relevant to the funder's mission.

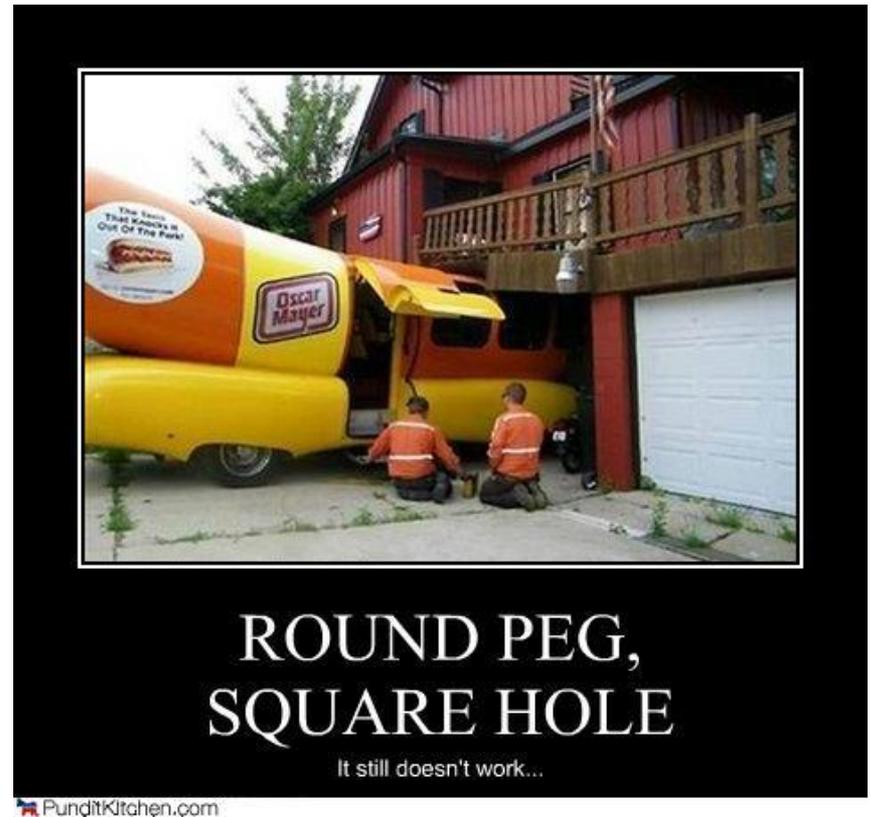




Why Proposals Are Not Funded

Funder's Priorities Don't Match the Grant Seeker

- An organization can have the most worthwhile project in the world, but if it doesn't match the funding priorities, it won't be considered.
- To be successful, you must understand the funders and the funding
- Although it takes time-consuming research, to be successful in grant writing, it is worth the effort.



Finding a Funder Match



- Location – what area(s) do they fund?
- Mission – what
- Project Type – what type of project will they fund?
- Budget – does your budget fit within their project guidelines?

Types of Funders



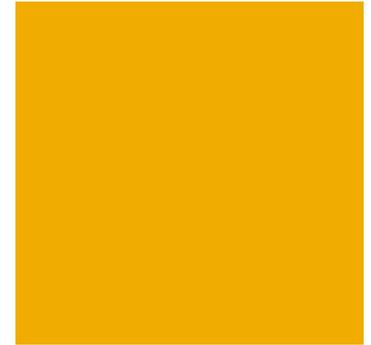
- Public Funding- awards from governmental agencies
- Private Funding – awards unassociated with the government
- The criteria for distinguishing between public and private funders for the IRS focuses on where the nonprofit gets its funds rather than the organization's purpose. They view organizations relying on more than one funding source as inherently more accountable than an organization closely controlled by a single donor. As a result, public charities operate under less restrictive rules than a private foundation

Public Funding



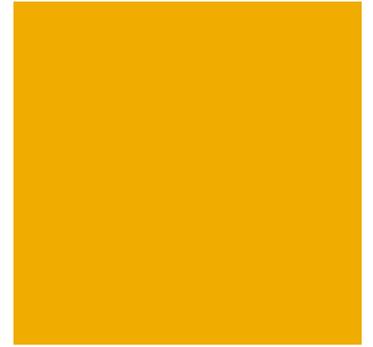
- Federal
- State
- County
- Municipal/Local
- Public Grant Making Charity - pool donations into a coordinated investment and grant-making facility dedicated primarily to the social improvement of a given place (i.e. Community Foundation for National Capital Region)

Public Sector Grant Writing



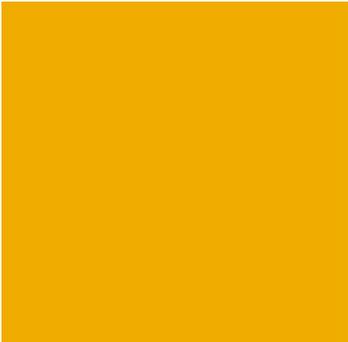
- Tends to be more complex and generally a longer proposal
- Funding amounts tend to be larger and for a longer period of time.
- RFPs and funding requirements are generally accessible via the web.
- Generally a response to a Request for Proposal (RFP), Public Announcement (PA), Request for Quote (RFQ) or Notice of Funding Availability (NOFA).

Private Funding



- Foundations
- Corporations
- Individuals
- Others

Private Foundations



- **Independent** - often begin as family foundations but are no longer controlled by the benefactor or the benefactor's family. Most of the country's largest foundations fall into this category.
- **Family** - usually created by a single individual or family that are governed at least in part by the donor, donor's family, descendants, or close associates. The foundation generally supports the donor(s) personal charitable interests. Family foundations make up the largest proportion of grant makers.
- **Operating** - use their own funds to operate their own programs rather than make outside grants. They are classified as private foundations because they generally do not raise enough funds from the public to qualify as public charities
- **Corporate** - are created by for-profit companies. They receive their funds from their parent companies, but are separate legal entities.

Corporate Funding



- Foundations
- Corporate Giving (Direct and In-kind)
- Sponsorship/Tie-Ins
- Community Involvement
- Research and Development

Individual Funding/Giving



- Online
- Memberships
- Direct Mail
- Special Events
- Payroll Deductions
- Memorial Contributions
- Bequests

Other Funding



- Fee for Service
- Social Entrepreneurship
- Associations (Trade/Unions and Social Organizations)
- Religious Organizations

Private Sector Grant Writing



- May be in response to an RFP, through a Letter of Intent (LOI), or through invitation.
- Proposals tend to be relatively short and not very complex
- Funding tends to be for smaller amounts and shorter lengths of time than public funding.
- Is not always readily available through a web search . . . Many private funders do not have websites.
- Relationships with the funders are critical

Types of Funding



- **General Operating Support** - use it to support the general expenses of operating your organization (unrestricted)
- **Program or Project Support** - is given to support a specific, connected set of activities, with a beginning and an end, explicit objectives and a predetermined cost. (restricted)

Program/Project Funding



- **General Programmatic**
- **Planning Grant** – supports initial project development work
- **Seed/Start-up** – gives a new effort a push with multi-year decreasing funding
- **Technical Assistance** – supports administration of a organization
- **Facilities and Equipment (Bricks and Mortar)** – purchase long lasting physical asset
- **Endowment Grants** – funds that are invested and earn interest. The nonprofit spends only the interest and keeps the principal untouched.
- **Program Related Investments (PRI)** - low interest, or even no interest loans to nonprofits

Funding Factors



- Longevity (Reliability)
- Flexibility (Restricted vs. Unrestricted)
- Public Acceptance
- Administrative Efficiency
- Cost of Fund Acquisition
- Alignment with Mission and Vision
- Growth Potential
- Conflict with other Funding Sources

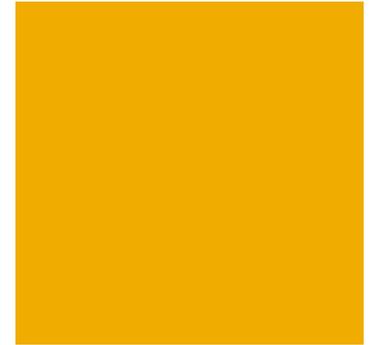
Funding Matchmaking



- Compile a List of Prospective Funding Partners
- Refine the List of Prospective Funding Partners

Compile a List of Prospective Funding Partners

- Start with Grant Databases:
 - Grant Information Resource Center (GIRC)
 - Foundation Center Directory
 - National Directory of Corporate Giving
 - Guidestar.org
 - Council on Foundations Publications Catalog
 - Grants.gov
 - District Grants Clearinghouse
- Look for Subject/Interest compatibility – look for related items
- Look for Location compatibility
- Look for recently funded projects and amounts



Refine the List of Prospective Funding Partners



- Find specific information about the funder.
- Eliminate funding prospects that do not:
 - Fund in your geographic area
 - Fund your area of interest/subject/target population
 - Fund the type of support you need
 - Fund your type of organization
 - Fund your size project
 - Look at their track record.
 - Contact funder directly for annual report and other publications.
 - Search 990



QUESTIONS?