GRANTS 101: WHAT TO KNOW BEFORE YOU APPLY

GRANT BASICS AND TIPS TO BUILD AGENCY PROFICIENCY & CAPACITY

PRESENTATION OVERVIEW

- The WHY of Applying for Grants
- Where can I find potential grants?
- How do I know if the grant is right for me?
- It's a fit! Now what?
- Grant Basics
- Where do we go from here?

THE WHY OF APPLYING FOR GRANTS: RETHINKING "FREE MONEY"

"For funders, a grant award is an investment in positive change. It's a tool they use for having an impact on issues they care about.

…[N]onprofits must consider grants from a mission-focused perspective. Since the point of a grant award is impact rather than money, the real point of a grant proposal is to rally the necessary resources to help the nonprofit fulfill its purpose…to address important issues within their communities.

A grant proposal is actually a **call to action**. It's a request that a funder join the nonprofit as a partner in achieving specific results. At its best, a grant proposal is a cogent, persuasive, well-supported argument for change."

– *Barbara Floersch, Executive Director, The Grantsmanship Center*

WHERE CAN I FIND FEDERAL GRANTS?

- By law, all federal government funding opportunities must be offered on an equal basis to all free of charge

- Internet Sources

  - Federal Register (https://www.gpo.gov/fdsys)

  - Grants Search Engine (www.grants.gov)

  - Federal Government Department websites
  (http://www.usa.gov/Agencies/Federal/All_Agencies/index.shtml)

WHERE CAN I FIND STATE GRANTS?

- By law, all state government funding opportunities must be offered on an equal basis to all free of charge

- Contact local state representative offices

- Internet Sources

    - VA State Grants Portal website (https://governor.virginia.gov/policy-priorities/grants)

WHERE CAN I FIND GRANTS FROM PRIVATE FOUNDATIONS?

- Foundations are not required to publically post their funding opportunities

- Requests For Proposals (RFPs) may be posted in local newspapers

- Solicit local banks and civic organizations

- Internet Sources
  - Foundation Center (http://foundationcenter.org)
    - Full database at GWU Ashburn or downtown DC

WHERE CAN I FIND POTENTIAL GRANTS?

Sign up for email announcements and newsletters

- Search engines
- Agency websites
- Area associations

Lists of local funders

- https://www.washingtongrantmakers.org/directory
- http://www.grants.maryland.gov/Pages/FoundationGrants.aspx

HOW DO I KNOW IF THE GRANT IS A GOOD FIT?

1. Review announcement for key points

- Eligible applicants

- Eligible activities

- Date due & award ceiling

- Award start date & length

- Grant requirements

  - Matching funds, reporting, fine print

- Funder focus & history of giving

  - Funder 990s (Guidestar, Foundation Center)

HOW DO I KNOW IF THE GRANT IS A GOOD FIT?

2. Review your program
- Goals & activities
- Project length
- Existing capacity
    - Fiscal capital—other grants & revenue
    - Human capital—project staff & volunteers
- Program needs
    - Outreach & awareness
    - Education
    - Direct service—personnel, supplies/materials
    - Expansion

HOW DO I KNOW IF THE GRANT IS A GOOD FIT?

3. Realistically compare grant key points with program components

- Goals & Activities: similar?

- Timing: realistic?

- Requirements: feasible?

4. Realistically calculate your chances of getting the grant

- Chances are best with local funders who know your organization and the local need

- Federal grants are a huge undertaking and typically fund very few applicants

IT'S A FIT! NOW WHAT?

■ **Identify any preparation required**

For grant:

- DUNS Number and SAM Registration (www.sam.gov)

- 501(c)3 Status

- W-9 Tax Form, EIN number

- Audit Information, Financial Statements

For your agency:

- Create timeline, working backward from due date

- Department approval

- Fiscal approval

- Background data

- Other research

IT'S A FIT! NOW WHAT?

- **Respond to a Letter of Intent or develop an outline following the RFP Guidelines**
  - Specific Need in the Community (with DATA!)
  - Your Program to Address this Specific Need
  - Funds Needed to Achieve the Desired Outcomes
  - Your Organization's Background and History

GRANT BASICS*: PROOF APPLICANT ORGANIZATION IS STRONG AND VIABLE
AKA: ORGANIZATION BACKGROUND, MISSION, HISTORY, AND MILESTONES

- Factual and objective descriptions of organization's accomplishments.

- If organization is new, background of staff and board of directors can provide credibility. Stress community partnerships to build confidence.

- Acts as a "résumé" for organization: goal is to impress reader with organization's credibility and qualifications.

*Grant Basics adapted from The Grantsmanship Center, www.tgci.com

GRANT BASICS: COMPELLING DESCRIPTION OF SITUATION YOU WILL ADDRESS
AKA: PROBLEM STATEMENT, STATEMENT OF NEED

- Who is affected? What are their qualities or characteristics?

- How many people are affected and where do they live?

- In what ways are they affected and to what extent?

- How do you know? Quantify problem using hard data and cite sources.

- Why is the problem significant?

- Why is the problem occurring?

*Situation for which you are seeking a grant should not be about your organization; rather, it should be about those you serve.

GRANT BASICS: CLEAR STATEMENT OF EXPECTED PROGRAM RESULTS
AKA: GOALS, OUTCOMES, OBJECTIVES

- What do you expect to result from the program? SMART objectives: specific, measurable, achievable, realistic, and time-bound

- If you have defined the problem well, the outcomes will follow logically (if…then…)

- Think about what outcomes your program prevents, e.g. cost for other services, short and long term. If possible, calculate savings.

GRANT BASICS: PLAN OF ACTION
AKA: METHODS, APPROACH, PROGRAM PLAN, WORK PLAN

- Plan created to accomplish projected outcomes
- Explain it like you would to someone who knew nothing about it
  - *Who* – Who will be in charge of getting the work done? Who will be served or affected?
  - *What* – What will be happening? What are the specific strategies that will be used?
  - *When* – Timeline for activities?
  - *Where* – Where will the work take place?
  - *How* – How will the work be accomplished?
  - **Why this approach?** Share your rationale.

GRANT BASICS: EVALUATION PLAN

- Describes how organization:
  - measures level to which program is achieving expected outcomes
  - documents that program activities unfolded according to plans, as well as any course corrections

- How will the organization know whether the program approach is working? Or when revisions to the plan are warranted?
  - Typically, some of the things that may be monitored are: client participation, community support, feedback from clients, collaborators, and others, client satisfaction, and staff feedback.

GRANT BASICS: SUSTAINABILITY

- Four basic ways nonprofits get funds:

  – Grants/ contracts

  – Donations

  – Program Fees

  – Investment Income (rarely)

- Three types of sustainability:

  – Fiscal

  – Partnerships

  – Resource development

THINGS TO REMEMBER AS YOU WRITE

- Develop "template" to re-use for other grants, reports, planning, etc.
- Write persuasively to get your case across
- Make application stand out; case studies can help
- Use freshest data and research
- Use past grant applications, strategic plans, work plans and agency brochures
- Don't use too much jargon, spell out acronyms
- But... don't preach to the choir
- Add subtitles or cues to application questions within narrative

THINGS TO REMEMBER AS YOU WRITE

- Use short sentences and paragraphs.

- Use simple language. A grant proposal is not the place to dazzle others with your vast vocabulary.

- Edit, edit, edit. Get rid of excess words. Bullet points?

- Have someone unfamiliar with your program read the proposal. Can they understand it?

- Make your point at the beginning of each section and at the beginning of each paragraph. Reviewers usually have many proposals to read; they appreciate your getting to the point.

- Include "the human face" — quotes, brief anecdotes and examples can make your proposal more readable and understandable.

GRANT BASICS: BUDGET

For planning purposes, make a spreadsheet with four columns:

- Column 1 – **Line Items**: Use your organization's chart of accounts to list line items that must be addressed in budgeting for the grant-funded program

- Column 2 – **Total Program Budget**: shows cost of everything that will go into program, even if already covered by other sources

- Column 3 – **Other Funding**: For each line item, show funding and value of other resources to be contributed from other sources. Include what your organization will provide, called "match," "leverage," or "cost sharing."

- Column 4 – **Amount of The Requested Grant**: Difference between Column 2 and Column 3 is requested grant amount.

BUDGET: PROGRAM STAFF

- **Personnel vs. Consultants**
  - Personnel: on regular payroll, benefits will be paid
  - Consultants: 1099 employees, contracted on a limited basis, employed by another agency or self employed

- **Calculations, Level of Effort Example**
  - Director: $30/hr x 40 hrs/wk x 52 wks/yr x 10% of effort (30 x 40 x 52 x .10 = $6,240/year)
  - Coordinator: $15/hr x 40 hrs/wk x 52 wks/yr x 100% of effort (15 x 40 x 52 x 1 = $31,200/year)

- **Fringe Benefits** (if considered personnel)
  - May account for 20-40% of salary costs
  - FICA (Social Security & Medicare), Workman's Compensation, Unemployment
  - Paid Time Off, Health and/or Insurance, Cafeteria, Retirement

BUDGET: CONSULTANTS/CONTRACTS

- **Types of Consultants**

  – 1099 Contracted Employee

  – Consulting Firm (e.g. feasibility study or needs assessment)

  – Professional Services (e.g. psychiatrist, budgeting classes, engineer, motivational speaker, etc.)

- **Entering into a Contract**

  – Requirements to Follow: Bid, Quotes, RFP Review & Selection, or Sole Source Justification

  – Check to see if funds are federal– important new regulations. Some state and local funds are pass through.

  – Draft the Contract to Organization & Grant Specifications

  – Clearly state scope of work, expectations & deliverables

BUDGET: TRAVEL & TRAINING

- **Travel**
  - Mileage for program staff
  - Example: 100 miles/month x 12 months x 2 staff x $0.50/mile = $1,200

- **Trainings**
  - Airfare, Lodging, Rental Car, Per Diem (Meals) associated with attending relevant trainings (sometimes)
  - Registration Fees
  - Example: Certification Training Costs—(Lodging-$160/night + Rental Car-$60/day + Per Diem-$50/day) x 4 days + Airfare-$880 + Registration-$699 = $2,659

BUDGET: EQUIPMENT & SUPPLIES

- **Equipment** (typically over $5,000—but each grant will have different specifications)
  - Copiers
  - Servers
  - Vehicles
- **Supplies** (generally considered limited time usage)
  - General office supplies
  - Program supplies
  - Computers

BUDGET: OTHER & INDIRECT

- **Other Costs**
  - Direct Costs that don't fit into another specified category
  - Rent, Utilities, Telephone Services
- **Indirect Costs** (may or may not be allowable)
  - General Administrative/Overhead Costs
  - Insurance
  - Garbage Services, Maintenance Costs

BUDGET: MATCH

- **Cash Match:** Organization must match a specified amount of funding in the form of cash. May include:
  - Agency revenue
  - Other grants, contributions
- **In-Kind Match:** Goods or services donated to organization. Examples include:
  - volunteers
  - use of a building and utilities
  - advertising
  - pro-bono professional services

ATTACHMENTS

Typically requested items:

- Brief resumes of key staff

- Job descriptions

- Letters of support or commitment from collaborators

- Strategic plan

- Logic model

- Organization's current operating budget

- Memorandum of Understanding (MOU) with partner

- Audited financial statements

- 501(c)(3) letter from the Internal Revenue Service

IT'S DONE! NOW WHAT?

- Key stakeholders review & input

- Letters of support

- One last review— "fresh eyes"

  - Especially important to check your math!

- Signatures

- Submit completed application

BE READY!

- Have process in place for approval by appropriate signatories

- Regularly update organization by-laws, strategic plans, history of collaborating efforts

- Establish a process for an annual budget assessment and regular financial audit

- Start collecting attachments

- Create boilerplate paragraphs

NEXT STEP: REVIEW BY FUNDER

"Is it just me or are these review panels getting a lot tougher?"

WE WERE NOT FUNDED. NOW WHAT?

- Follow up if you don't hear back
  - Request meeting to review comments from reviewers
- Keep list of other potential funding sources to fill in gaps in program delivery
- Integrate LOI/application efforts into work plan
  - Approach
  - Evaluation
  - Sustainability
- Try again next year!

WE *WERE* FUNDED! NOW WHAT?

- Identify new processes, procedures & paperwork for grant implementation and reporting

  - Implementation: Intake and Assessment

  - Reporting: Data collection, reporting processes, feedback mechanism for program revisions

- Follow reporting requirements precisely. Track all spending; keep detailed financial reports and all receipts.

- The better you follow reporting requirements, the more likely this grantmaker will fund you during the next cycle.

- If you must stray from your original planned budget, get written permission from the grantmaker before proceeding.

GRANT WRITING = VACATION PLANNING?

"…[W]riting and submitting a grant proposal is a lot like planning for a vacation that you'll probably never get to take. The work you're proposing should be fun and interesting… but your chances are pretty slim that you'll ever get to do it- at least in the form that you propose it.

…Writing grants give you opportunity to come up with ideas, to consolidate your thoughts, and think through the [program] that you want to do and how you want to do it."

~Jasonya.com

TRAINING RESOURCES

- *Grant Professionals Association*

- The Grantsmanship Center

- Thompson (Federal)

- National Grants Management Association

- Foundation Center (local DC office)

- Grants USA

GRANT MANAGEMENT RESOURCES

- Free

  - Trello.com

  - Asana.com

- Inexpensive, tailored for grants

  - GrantHub ($75/ month)

  - GrantNavigator (depends on need)

Loudoun County Department of Management and Budget
– Contact Information –

Shalom Black, Grants Program Coordinator

(703) 737-8186

Shalom.Black@loudoun.gov

Grant Basics* (adapted from The Grantsmanship Center, www.tgci.com)

Proof applicant organization is strong and viable (AKA: organization background, mission, history, and milestones)
- Factual and objective descriptions of organization's accomplishments, including statistics and examples. Highlight achievements that will be most meaningful to the potential funder. Use a quote from someone in the community who values the contributions of your organization.
- If organization is new, background of staff and board of directors can provide credibility. Stress community partnerships to build funder's confidence in organization's ability to achieve results.
- Acts as a "résumé" for organization: goal is to impress reader with organization's credibility and qualifications.

Compelling description of situation you will address (AKA: Problem statement, statement of need)
- Who is affected? What are their qualities or characteristics?
- How many people are affected and where do they live?
- In what ways are they affected and to what extent?
- How do you know?
- Quantify problem using hard data and cite sources.
- Provide context about problem to elicit funder's empathy and create a sense of urgency.
- Your understanding of the target population is critical. There's a story to tell and it's your job to tell it.
- Why is the problem significant? Why should the funder care about what's happening? Why now? Discuss research on subject. Compare local problem with state or national situation.
- Why is the problem occurring? Identifying causes of the situation will lead to possible solutions. Ask those affected by the problem why they think it exists; avoid assumptions.
    - As you explore problem and causes, ask: How do we know this?
- Situation for which you are seeking a grant should not be about your organization; rather, it should be about those you serve.

Clear statement of expected program results (AKA: Goals, Outcomes, Objectives)
- What do you expect to result from the program? SMART objectives: specific, measurable, achievable, realistic, and time-bound
- If you have defined the problem well, the outcomes will follow logically (if…then...)
- Think about what outcomes your program prevents, e.g. cost for other services, short and long term. If possible, calculate savings.

Plan of action (AKA: methods, approach, program plan, work plan)
- Plan created to accomplish projected outcomes
- Explain it like you would to someone who knew nothing about it
    - *Who* – Who will be in charge of getting the work done? What are their qualifications? Who will be served or affected? How many people will be involved? Are there any specific criteria for people to be involved in this project? Discuss collaborative efforts that will be part of the program.
    - *What* – What will be happening? What are the specific strategies that will be used?
    - *When* – Timeline for activities? Helpful to lay out graphic timeline that describes who will do what, and when.
    - *Where* – Where will the work take place?
    - *How* – How will the work be accomplished? What resources will be used to get the job done?

- – **Why this approach?** Have others used this approach and been successful? Is this approach considered to be a best practice? Share your rationale.

If you end up with too much information in this plan to include in the proposal, submit key points, but file the details. This becomes the program management plan when you are ready to implement the program.

Evaluation Plan
- Describes how organization:
  - (1) measures level to which program is achieving expected outcomes
  - (2) documents that program activities unfolded according to plans, as well as any course corrections
- Projected program outcomes:
  - (1) How will you know when you have accomplished them?
  - (2) Are there benchmarks that will indicate that you're headed in the right direction? Describe benchmarks and what they will tell you about results
  - (3) Describe what data will be collected and analyzed and by whom.
  - (4) Describe what you will do with what you are learning.
  - (5) Can you use results to help guide future program development? How?
- *Outcomes are all about results,* so how will you monitor results?
- How will the organization know whether the program approach is working? Or when revisions to the plan are warranted? Typically, some of the things that may be monitored are: client participation, community support, feedback from clients, collaborators, and others, client satisfaction, and staff feedback.
- Example: if the plan was to conduct community forums about a particular issue, and few people attended, this would tell you something. Maybe the forums were held at the wrong time of day. Maybe people couldn't find the place. Maybe the subject was not of interest. Maybe childcare was a problem.
- Analysis of the situation can help you modify the approach so it's more effective; often called **"process evaluation"**

Sustainability
- Four basic ways nonprofits get funds:
  - – Grants/ contracts
  - – Donations
  - – Program Fees
  - – Investment Income (rarely)
- Three types of sustainability:
  - – Fiscal
    - Planning grants lead to implementation grants; implementation grants can lead to expansion/ enhancement
    - Successful outcomes from pilot programs can attract other funders or donors, or "sell" the value of the program to your board
    - Cost savings gained through prevention
  - – Partnerships
    - Funds can act as glue to bring organizations and resources together
    - Program partners can share the cost or implement program
    - Alliances with corporations and businesses
  - – Resource development
    - In kind, volunteers, donors
    - Budgeting for professional development of staff ensures sustainability of curricula or specialty areas they have been trained in