

Is Your Nonprofit Organization “Grant-Ready?”

Securing grant dollars has become significantly more competitive in recent years. A compelling grant proposal in and of itself is no longer a viable strategy. The checklist below is designed to help you think through 20 key facets of your organization’s programs, personnel, Board, finances and more to help determine how attractive you would be to a prospective funder.

Do not be intimidated by this list; there is no reason why you can’t pursue grants if you only have some of these ducks in order. Think of these as objectives whose achievement will help you attain your grant revenue goal. That said, the more check marks, coupled with that compelling grant proposal, the more likely you will secure multiple grants.

The first group I recommend having in place on the front end – before you write your next grant proposal:

- ☐ **We have realistic and justifiable Board-approved operating and program budgets for the current and, if nearing the end of the fiscal year, upcoming fiscal years.**

All funders will request these budgets as attachments. If it is time to submit and your Board has not yet approved them, then label them “Draft.” And always label them “Projected.”
- ☐ **We can generate accurate, monthly financial statements such as Income and Expense (budget to actual) and Balance Sheets.**

Probably half of the funders you pursue will request year-to-date financials.
- ☐ **We can document concrete organizational and programmatic achievements, including over the past year.**

This assumes your organization is not a start-up. Most funders want to see you have some sort of track record. For those willing to provide seed funding to a new organization or project, you should provide examples of how that same staff or leadership was successful in comparable, previous endeavors.
- ☐ **We have set organizational and programmatic goals for the next 12 months.**

All funders will want to see that this has been thought through, so they will know what sort of impact their investment will make. Create objectives to achieve these goals that are “SMART”: specific, measurable, attainable, realistic, and time-bound.
- ☐ **We have dedicated staff time to evaluate we are attaining those objectives, i.e. measuring progress against indicators of success.**

Make clear who will be designated to evaluate that you are achieving them, how and how often they will do it, and what your organization will do with the findings.
- ☐ **We have a plan for sustainability for the program we are requesting support for, so we will not be dependent on the funder beyond the end of the requested grant period.**

Will the program be self-sustaining? If not, what is the medium- and long-term plan for securing other sources of revenue? Will you dedicate more resources to soliciting

gifts from individuals, which, according to GivingUSA, comprised 80% of private giving to nonprofits in 2015?

- ☐ **We have clearly documented the need for the particular program or project we are requesting support for and/or the internal organizational needs (e.g. infrastructure, capacity, capital).**

This is critical and will answer the funder's question: why should I support this particular initiative? This is the emotional pull of your grant narrative, but it also should be backed up by relevant data like recent reports by trusted sources.

- ☐ **We have differentiated ourselves from other organizations doing similar work or working with the same target population.**

Funders like to see that your agency or program is unique either in its approach or in the population or geography it serves.

This next group of grant-ready requirements, while in my mind equally important as the first group, may take some time for your organization to put in place. If you cannot check one or more off now, make it a goal for the next 12 to 18 months.

- ☐ **We have an Executive Director and Board members willing to dedicate the time to develop long-term relationships with current and prospective funders.**

This is truly critical. The actual grant proposal in most cases is only one piece of the grant puzzle. Particularly with larger funders, it is really about developing a relationship, inviting their opinions, bringing them under your organization's "tent" so they feel vested in your mission, and not always asking them for money. It is a key role of the Board and Executive Director.

- ☐ **Our leadership (executive staff and Board) are diverse in experience and ethnic background (i.e. they mirror our target population).**

If 75% of your constituents are Latino while 20% of your staff and 10% of your Board is Latino, you are raising a red flag to funders.

- ☐ **We have an active Board of Directors which meets monthly.**

The Board's role is critical in all aspects of organizational development, not least of which is fundraising. Funders will frown upon small Boards that meet 3 times a year, with no committees and little time invested in your agency.

- ☐ **We have the following active Board committees comprised of both Board and non-Board members: Executive, Finance, Development and Nominating.**

Some funders want to know this. Regardless, if you are looking to grow your agency, it will be necessary to have at least these four committees in place, with community participation.

- ☐ **One hundred percent of our Board members provide an annual gift to the organization.**

Some funders will ask this. Regardless, from an organizational development point of view, this is a fundamental expectation of Board members, and something you can

communicate to potential donors and funders which in some cases will help you win gifts and grants.

☐ **We have secured other grants over the past 2 years.**

This assumes your organization is not a start-up. Funders tend to be conservative, and often do not want to be the first one in the door. You will likely have to answer the question in a grant application, “Who else has funded you and at what levels?” It helps to be able to provide at least a small list.

☐ **We have undergone a formal audit of our financial statements (or, if your annual revenues are under \$250,000, some other outside independent accounting review) each of the past 2 years, with no findings.**

Most funders request audited financials.

☐ **We can document recent recognition and awards from reputable entities.**

While not a deal-breaker, such recognition may sway funders in your favor.

☐ **We have created and measure progress against a multi-year strategic plan or like document.**

Many funders will ask if your organization has gone through a strategic planning process recently. A strategic plan helps define short- and long-term organizational and programmatic goals, so ties in directly with grant proposals.

☐ **We have a written logic model for each program which identifies inputs, activities, outputs and outcomes (i.e. indicators of success).**

More and more funders are asking for logic models, which tie into the SMART goals and objectives mentioned above. It is a good exercise to walk through with staff, and helps strengthen proposals. And they should be created independently of grant seeking.

☐ **We have the expertise on staff to ensure we carry out those activities within stated timeframes to achieve those outcomes and attain our goals.**

Funders will want to see that your organization has the infrastructure and your staff the experience and skills to be successful. Otherwise, they may feel your goals are unrealistic, and will not want to risk the investment.

☐ **We provide ongoing opportunities for volunteer involvement in our programs.**

Aside from being a huge (and cost-effective) boon to any nonprofit, properly trained and supervised volunteers from the community your agency is serving shows funders you are not just throwing programs at your target population but are drawing on the talents of that population to help achieve solutions. Further, more and more corporations are requiring their employees' involvement with your organization before they will commit financial resources.