PhilanthropyWorks LLC

12 STEPS TO SUCCESSFULLY MANAGE THE GRANTSEEKING PROCESS

An important element in a well-balanced resource development plan should be the ability to raise grant dollars from foundations and corporations. But, in order to be successful in this highly complex and competitive process it's most important for you to approach Grantseeking in an organized manner. As important, is the ability for you to cultivate and build relationships with funders. Through it all, it is important to dedicate time each week to pursue grants. Now here's the 12 ingredients in my recipe for $ucce$$ful Grantseeking.

Step 1: Conduct Research

- Determine the type of agency you are (mental health, social service, education. arts, etc.) and who your constituency is, i.e., the groups of people you serve (children, families, indigent, elderly, under-served, people of color, etc.).
- Identify potentially good matches between your NPO and funders, using foundation directories, usually available in larger branch libraries and at college/university libraries.
- Create a funder data sheet to capture specific information about each of these funders.
- Call each funder to confirm your initial research and obtain information not available in the directory including a copy of printed guidelines. (This is also your first round in the cultivation process with prospective funders.)

Step 2: Determine Organizational Need

- How will you use grant funds …Seed money to start a new program? …Reduce a budget deficit? …Start an Endowment Fund? …Capital campaign?
- Encourage participation by all key organizational players, staff, board and volunteers to determine needs that can best be met though grant funds.

Step 3: Match Organizational Needs to Funder Interests

- Keep in mind each funder's interest in terms of both your constituency and how you will use grant dollars. (For example, a funder may be interested in supporting your organization that serves indigent elderly, but will only provide funding for capital needs - building, equipment, etc. So your proposal to them for program funding will not be approved.)

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Step 4: Write Proposals

- Create a full-blown boilerplate proposal including an organizational overview as well as specific request with a project budget.
- Become familiar with the funder's guidelines (some want full proposals, others just a 2 page letter) so that you can easily customize the boilerplate.

Step 5: Gather Documents/Submit the Proposal

- Funders require most of the following: IRS tax-determination letter (501(c)(3)); Board of Directors list; financial information (audit, current operating budget, etc.); annual report; Form 90; bylaws; articles of incorporation, etc.
- Develop and use a checklist to assemble the attachments for each proposal based on funder's requirements.
- Delivery of proposal can be in person, overnight express mail (some funders think this is a waste of money), or mailed with a return receipt requested.

Step 6: Follow-up:

- Create a "tickler" file in which you keep information about each of the proposals you have submitted.
- Two to three weeks after sending the proposal, call the funder to ascertain that the proposal was received and to clarify materials submitted - yet another opportunity in the cultivation process.

Step 7: Keep Records:

- Chronologically track proposals based on date submitted to easily assess your progress in the Grantseeking process.
- Track proposals by specific project to ascertain how much money has been requested and received for specific programs.

Step 8: Jackpot!! The $$$ Comes In:

As grant funds are received, note these on several forms previously discussed -- the funder data sheet you created for each prospective funder during your research, the reminder or "tickler" form you developed for follow-up calls, the chronological grant tracking form and the specific project form.

Alternate Step 8: Rejection!!:

Yes, you will be turned down -- more than 50% of the time; make note of this on the tracking forms you are using and call the funder to determine why your agency did not receive the grant. One caution -- if you do get the funder on the phone, don't be argumentative… believe it or not, this is another cultivation opportunity.

Step 9: Acknowledge the Grant:

- Send a letter (some funders will require a signed copy of the grant letter).
- Call funders to personally thank them.
- Acknowledge the grant in your publications, and a press release, as appropriate.

- Invite the funder to celebrations, special events, etc. - offers a more personal means of building a relationship.

Step 10: Inform Staff of the Grant

- Share the good news with staff and your Board (don't overlook giving grant details to your business office - where ledgers for each program/project can be used to track grant expenditures).

Step 11: Stewardship:

- Stewardship refers to the act of stewarding or accounting for the use of the grant.
- Some funders require interim or six-month reports, others an annual report, still others want a report only when all grant dollars have been expended.
- Obtain information from staff members who are managing grants and from the business office.
- Send written report informing funders of how money was used and what was accomplished (outcomes/results).

Step 12: Close out the Grant Ledgers:

- Complete the cycle by closing out grant ledgers for each fiscal year in conjunction with your accounting/business office staff.
- This informs you of how much funding was used for a specific program/project during a particular year and, more importantly, how much will be carried over for use in the new year.
- Some funders require that funds be spent within a given time period, so if you are carrying over funds make sure that this is not counter to funder requirements.
- If funds were not expended during required time period, request an extension from the funder to avoid the possibility of returning part of the grant to the funder because funds were not expended in accordance with guidelines.

Now you have my complete recipe for $UCCE$$FUL GRANTSEEKING. Following these twelve steps will keep you focused and enable you to achieve the financial goals that serve to advance the philanthropic mission of your organization.

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