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Chapter 1
Grantwriting Basics for Beginners

If I had a dollar for every call and email I received from everyone and every organization wanting to pursue grant funding, I'd be super rich. I can actually recite the response that I regretfully have to give most inquirers.

In this chapter, I give you an overview of everything grant related and encourage you to read on through each chapter to get the full picture of every aspect of the grantwriting journey. If you have always wanted to learn more about grant writing, want to build relationships with potential funders, learn how to connect with your elected officials to stay in the know about federal grantfunding opportunities, and secure funding, this is the only book written to put you in the driver's seat on your journey. Get out your highlighters and sticky notes and let's get started!

Orienting Yourself on Grantseeking Basics

In order to hone your "find a grant now" skill set, you need a lot of basic information. First things first: what a grant is *not.* A grant is *not* a way to pay off your debts, like mortgages, student loans, government loans, or utility bills. It's *not* a way to fund your first trip abroad. A grant also is *not* a way to get out of jail free. You won't find a grantfunder that will give you free money for personal needs.

In this section, I explain common terms and lay out the basic information you need to know to jump on the grantseeking boat without a life preserver.

Learning common grantwriting terminology

Basically speaking, a *grant* (sometimes labeled a *cooperative agreement* by government funding agencies) is a monetary award of financial assistance to eligible grant applicants. The principal purpose of the grant is to transfer dollars from a funding agency or entity *(grantor)* to a recipient *(grantee)*, who undertakes to carry out the proposed objectives (the written implementation plans in the grant application narrative) that they committed to when they submitted the grant application. Here are some common grantwriting terms and their definitions:

- **Grant/cooperative agreement:** The distinguishing factor between a grant and a cooperative agreement is the degree of government (state, federal, or local) participation or involvement during the grantee's actual startup and implementation of the proposed activities.

  REMEMBER

  A grant award is made via a contract or agreement between the funding agency (the *grantor*) and the recipient (the *grantee*), with the grant supporting the activities and deliverables (implementation strategies and measurable time-bound objectives or benchmarks) detailed in the proposal/application (and finalized during the process of confirming the grant award). Reading the grant application's guidelines thoroughly (and multiple times) is critical to being funded. (Refer to Part 2 for tips on finding grantfunding opportunities.)

- **Grantor:** A *grantor* (also known as a *grantmaker* or *funder*) is the organization or agency that receives your funding request and decides to fund it or reject it. Grantors include the grantmaking agencies of the federal government, tons of state and local government agencies (including in the U.S. territories), and more than 100,000 foundations and corporate grantmakers. Two categories of grantors exist:

  - **Public-sector funder:** Any government grantmaker (federal, state, county, or local unit of government) that awards grants with money that comes from congressional allocations, federal pass-through dollars to states and municipalities, or taxpayer dollars — the public-sector.
  - **Private-sector funder:** A foundation or corporate grantmaker (independent of private foundation, operating foundations, corporate foundations, and community foundations) that uses funds from private sources — investments, contributions, donations, or grants — to fund eligible grant applicants.

- **Grantee:** The eligible grant applicant designated to receive a grant award. All grants require the grantee to use the funds as written (and promised) in the grant application. The required grant award paperwork is considered a contract between the grantor and the grantee. Up until you're awarded the grant, you're a *grant applicant;* you become a grantee only if you are approved for funding and agree to accept the award.

REMEMBER

Be certain you are an eligible grant applicant before applying for the grant.

So, how do you get a grantor to give you a grant and make you a grantee? After you've reviewed the guidelines (at least three times) for submitting an application and made initial contact with the potential funder, you're ready to research, write, and submit your *grant application* or *proposal* (also known as a *funding request*). I fill you in on the pieces or sections of a grant application/proposal in the section "Looking at the components of a grant application," later in this chapter.

Checking out different types of grants

Almost every grantfunding agency publishes specific types of funding it awards to prospective grantseekers. When you know what you want to use grant monies for, you can evaluate whether your request fits with the type of funding the grantor has available. For example, if you want money for architectural fees related to a historical preservation project, you can skip applying to a grantor that's only accepting grant requests for small technology-related equipment.

Look long and hard at the different categories of funding offered:

- **Annual campaigns:** Grants to support annual operating expenses, infrastructure improvements, program expansion, and, in some cases, one-time-only expenses (such as a cooling-system replacement).
- **Building/renovation funds:** Grants to build a new facility or renovate an existing facility. These projects are often referred to as *bricks-and-mortar projects.* Building funds are the most difficult to secure; only a small percentage of foundations and corporations award grants for this type of project.
- **Capital support:** Grants for equipment, buildings, construction, and endowments. This type of request is a major undertaking by the applicant organization because this type of large-scale project isn't quickly funded. An organization often needs two to three years to secure total funding for such a project.

- **Challenge monies:** Grants that act as leverage to secure additional grants from foundations and corporations. They're awarded by grantmakers that specifically include *challenge grants* or *challenge funds* in their grantmaking priorities. These grants are contingent upon you raising additional funds from other sources. Typically, a challenge grant award letter directs you to raise the remaining funding from other grantors; however, that typically excludes government grants.
- **Conferences/seminars:** Grants to cover the cost of attending, planning, and/or hosting conferences and seminars. You can use the funding to pay for all the conference expenses, including securing a keynote speaker, traveling, printing, advertising, and taking care of facility expenses such as meals.
- **Consulting services:** Grants to strengthen an organization's capacity can be used to retain the services of a consultant or consulting firm. For example, if you bring in a consultant to do a long-range strategic plan or an architect to develop plans for a historical preservation project, you can apply for a grant to cover these types of expenses.
- **Continuing support/continuation:** Grants additional funds to your organization after you've already received an initial grant award from that same grantor. These monies are intended to continue the program or project initially funded.
- **Endowments:** Grants to develop long-term, permanent investment income to ensure the continuing presence and financial stability of your nonprofit organization. If your organization is always operating in crisis-management mode, one of your goals should be to develop an endowment fund for long-term viability.
- **Fellowships:** Grants to support graduate and postgraduate students in specific fields. These funds are typically awarded to institutions and not directly to individuals, with the exception of some international fellowship funders.
- **General/operating expenses:** Grants for general line-item budget expenses. You may use these funds for salaries, fringe benefits, travel, consultants, utilities, equipment, and other expenses necessary to support agency operations.
- **Matching funds:** Grants awarded with the requirement that you must match the grant award with your own monies or with in-kind contributions.
- **Program development:** Grants to pay for expenses related to the expansion of existing programs or the development of new programs.
- **Research:** Grants to support medical and educational research. Monies are usually awarded to the institutions that employ the individuals conducting the research.

- **Scholarship funds:** Grants to eligible organizations seeking to award scholarships to eligible individuals. Remember that when funds are awarded directly to an individual, they're considered taxable income (that is, the recipient owes taxes on them).
- **Seed money:** Grants awarded for a pilot program not yet in full-scale operation. Seed money gets a program underway, but other monies are necessary to continue the program in its expansion phase.
- **Technical (consulting) assistance:** Grants to improve your internal program operations as a whole (versus consulting on one specific program). Often, this type of grant is awarded to hire an individual or firm that can provide the needed technical assistance.

Understanding your eligibility for grants

The types of organizations or entities eligible to apply for a grant vary from grantor to grantor. Each type of grantor — government (public) or foundation (private) — always includes clear, published grantmaking guidelines that indicate who or what type of entity is eligible to apply for those specific grant funds. To access these grantmaking guidelines, simply visit the grantor's website.

Funders typically include one or more of the following types of grant applicants in their *eligible applicant* language:

- State government
- County government
- City or township government
- Federally recognized Native American tribal governments
- Independent school districts
- Nonprofits with and without Internal Revenue Service (IRS) 501(c)(3) (non-profit) status
- Private, public, and state-controlled institutions of higher education
- Public and Native American housing authorities
- For-profit businesses
- For-profit organizations other than businesses
- International nonprofits (called *nongovernmental organizations* or NGOs)
- Individuals

TIP

Always check with the funder in advance to make sure that the entity that you're applying for is an eligible grant applicant. For example, funders view a nonprofit as an IRS-approved 501(c)(3) designated tax-exempt organization. Just being incorporated as a nonprofit in your state (for United States-based grantmakers) is not going to qualify you to apply for funds. You definitely need IRS approval in writing.

REMEMBER

Familiarize yourself with Grants.gov before you actually plan on applying for funding. All federal grant applicants have to do a lot of upfront work before they can submit an application for funding consideration.

Grants are awarded to organizations that have applied to the IRS for nonprofit status and have received the 501(c)(3) designation as well as to units of government (state agencies, counties, cities, towns, and villages) and government agencies, including state colleges and universities. Foundation and corporate grantors focus predominantly on nonprofit organizations and aren't inclined to fund for-profits. However, a few grants are given to individuals (see Chapter 7 for details).

In some instances, government agencies have set up separate 501(c)(3) nonprofit structures in order to scoop up more private-sector (foundation and corporate) grant awards.

Recognizing the Purpose of a Funding Development Plan

REMEMBER

If you're searching for funding to support an entire organization or a specific program, the first rule in grantseeking is that you don't write a grant request without first completing a comprehensive planning process that involves the grant applicant organization's key stakeholders. This is the *target population* members (the people your organization serves), administrative staff, and the board of directors.

Without key stakeholder input on what your target population needs and the plan for closing the gap on these needs, you're jumping off the cliff without a parachute. You must have an organized *funding development plan* to guide your organization in adopting priority programs and services and then identifying all potential grantors you plan to approach with grant requests. A funding development plan answers questions such as the following:

- What programs are strong and already have regular funding to keep them going? Are they likely to be refunded?

- What community needs aren't being addressed by your organization or other organizations providing similar services?
- What new programs need funding and is there evidence of the needs?
- What opportunities exist to find new funding partners and who will be responsible for making the initial contact with each funder?
- What existing grants expire soon and can you reapply or do you have to find new funding?

When the stakeholders answer these questions, you can begin to look at the plethora of areas where grants are awarded and start prioritizing the type of funding you need. (For more information on funding development plans, see Chapter 2.)

Connecting to Public-Sector Grantmaking Agencies

I receive dozens of emails and social media inquiries every week asking about grants. Everyone wants grants; aka, everyone wants money! If you're feeling clueless as to how to find potential funding for your organization, you simply need to use your favorite search engine. You can search for potential sources that are interested in what your organization needs in the way of goods and services. Get your fingers moving on the keyboard and start searching for the monies that may be waiting for your organization. While you're at it, why not start with the nation's wealthiest relative, Uncle Sam?

TIP

Did you know that the U.S. government is one of the largest grantmaking entities? That's correct, Uncle Sam doles out approximately $500 billion in grant awards annually. If you want to score big in grant awards, you may want to consider targeting federal grantmaking agencies and researching their daily grant announcements. After all, there are 26 grantmaking agencies giving away boatloads of money to eligible grant applicants who have mastered writing highly competitive grant applications.

REMEMBER

Public government grants come in two types:

- A *competitive grant* is one where applicants compete against each other for a limited amount of funding.

» A *formula grant* is awarded based on a predetermined formula (a set amount of money per person) established by the funding agency. Formula grants aren't considered competitive. For example, community action agencies are funded formula grants, in part, through the Community Services Block Grant (CSBG) program. These grants are awarded on a service-population-based formula. The agencies receive these funds year after year by merely updating the previous year's application and resubmitting.

In the following sections, I explain what type of public-sector grant money (or grantor) will pay you to implement your idea, project, or program.

Federal funding: Raiding Uncle Sam's stash

The first place to look for big pots of money is in Uncle Sam's closet of federal funding agencies. In Chapters 4 and 5, I explain public-sector grants and wade through the main federal e-grant portal, Grants.gov.

TIP

Many newly established nonprofit organizations think that they should apply for government grants before raising seed funding from local foundations and corporations. Your organization needs an established, credible track record for implementing, evaluating, and prudently managing funding from smaller fish in the sea before jumping into the federal grant application process.

TIP

To find active or current grantfunding opportunities from Uncle Sam, go to `www.grants.gov`, which gives you daily funding announcements on money you can apply for *now*, provided your organization is an eligible grant applicant.

State and local government funding: Seeking public dollars closer to home

Each state receives grant monies from the feds and from tax revenues that are funneled into and out of the state's general funds. After taking their fair (or unfair) share for administrative overhead, states re-grant the money to eligible agencies and organizations in the form of competitive grants or formula grants.

You can search the Internet to find state agencies that award grants. Examples of some of the state agencies that re-grant federal monies are agriculture, commerce, education, health, housing development, natural resources, and transportation. You can also contact your state legislator's local office for assistance in identifying grant opportunities in your state.

TIP

There's a wide variation in state grantmaking. It's always best to meet with your state-level elected officials and funding agency representatives to pave the way for successful grantseeking.

Researching Private-Sector Grants

Foundation and corporate grantmakers are private-sector funders. The rainfall of private-sector grant money continues to be conservative, due to the pandemic and an anticipated declining economic outlook, but it's also continuously available to grantseekers who meet this type of grantor's area of interest.

Where can you find out more about these grants? You can locate sources by visiting a Funding Information Network (FIN) location (usually at a large public library, state university library, community foundation, or other nonprofit information center). These sites are the only places where you can access Candid Learning's *Foundation Directory Online* for free. Otherwise, you need to subscribe at one of the levels that best fits your grant-research needs. (To find a FIN site, visit `https://candid.org/find-us`.)

TIP

If you're targeting private-sector funders, start with local foundations and corporate grantmakers to improve your odds of receiving funds.

Identifying foundations that award grants

Private foundations typically get their monies from a single-donor source, such as an individual, a family, or a corporation. Others raise funds from a variety of donor sources. You can find hundreds of private foundations in the *Foundation Directory Online* by Candid or by typing "list of private foundations" or "private foundations" plus your state's name into your favorite search engine.

Public foundations, on the other hand, are supported primarily through donations from the general public. That's a no-brainer, right? Public foundations also receive funding from foundation and corporate grants, as well as individual donors. Again, the *Foundation Directory Online* by Candid website can give you loads of information on these types of foundations. Visit `https://learning.candid.org/resources/knowledge-base/what-is-a-foundation`.

REMEMBER

The grantseeking and grantmaking processes may differ for public and private foundations. Always contact potential foundation funders to introduce your organization, start to build a communications bridge, and inquire about their grantmaking processes.

Finding corporations that award grants and in-kind donations

Did you know that many of the biggest businesses in the nation set 5 percent or more of their profits aside for grants? Why is that, you ask? The reason is *corporate social responsibility* and *community engagement* — which are the approaches that successful businesses take when they decide to make a financial commitment to the community where they are headquartered or where they have operating locations.

Corporations that award grants usually have a website link labeled something like Community, Community Relations, Community Engagement, Social Responsibility, Local Initiatives, Grants, or Corporate Giving. Use *Foundation Directory Online* by Candid to view corporations with giving programs.

TIP

Corporate funding sources typically look to give funding to organizations operating in areas that they serve. Corporate funders frequently will let potential applicants know their geographic range, but you can also consider what corporations have headquarters or a major presence in your area as a source of insight.

Getting Acquainted with Grant Submission Requirements

One of the biggest keys in grant writing is recognizing the different application formats that funders require you to submit. Some grantors require more information than others. Today, at least 90 percent of funders with websites require online e-grant applications. Others require traditional paper-written narratives, forms, budgets, and mandatory attachments. In Chapter 23, I cover online e-grant portals and submission processes.

REMEMBER

Determine the writing format for each funding source you identify. Carefully view each private-sector funder's website, and if you're still not sure about what to write or how to write it, make a quick call or send an email to the listed contact person. Governmental agencies have their own application kits, and you can submit applications to these agencies only at certain times in the year when there is a specific funding deadline published.

Looking at the components of a grant application

A *government grant* or *cooperative agreement application* is a written funding request you use to ask for money from a government agency. Government grant applications are specific to each of the federal grantmaking agencies. Even state agency grant applications that are funded with federal pass-through dollars closely mirror federal grant application guidelines and grantee requirements.

Each federal agency has dozens of agencies under its wing that release Notices of Funding Availability (NOFAs), Notices of Funding Opportunity (NOFOs), Request for Applications (RFAs), Funding Opportunity Announcements (FOAs), or Request for Proposals (RFPs). Each NOFA, NOFO, RFA, FOA, and RFP has different funding priorities and guidelines for what you need to write in order to submit a responsive and reviewable grant application.

Government and other types of grant applications generally require that you write narrative responses for the following sections (each of which I cover in more depth in Part 4):

- Executive summary or abstract
- Statement of need
- Program design or methodology
- Adequacy of resources or key personnel
- Evaluation plan
- Organization background/history or organization capability
- Sustainability statement
- Budget

A foundation or corporate grant application typically takes the form of a proposal. A *proposal* is a structured document that must follow each grantmaker's specific guidelines. Writing a proposal to a foundation or corporation requires the same adherence to the guidelines and incorporation of relevant information as completing government grant applications.

Note: Some foundations and corporate grantmakers accept the Common Grant Application format; see the later section, "Getting your request in the door at foundations and corporations," for more details on this format.

Perusing government grant application guidelines

Although government grant application formats vary from agency to agency and department to department, some common threads exist in the highly detailed, structured, military-like regimen that's commonly referred to as an *application package.* These common threads include a standard cover form, certification and assurances forms, narrative sections, and the budget narratives and related forms. And of course, all government grant applications require mandatory attachments or appendixes, such as résumés of project staff and copies of your nonprofit status determination letter from the IRS. (Head to Chapter 5 for more about the application package.)

REMEMBER

Always follow the pagination, order of information, and review or evaluation criteria guidelines. All government grants are awarded on the basis of your meeting point-weighted review criteria, which are written and published in each funding agency's grant application guidelines. (Most grants use a 100-point system.) The review criteria tell you what the peer reviewers will base their ratings on in the application package. With the competition being so hot and heavy for all government grants, you want to carefully craft an award-winning narrative that scores at a minimum of 95 points. The grant applications recommended for funding typically score between 95 and 100 points.

Several federal grantmaking agencies issue grant applications guidelines where their scoring rubrics often have up to 1,000 points. While this is rare, expect anything and everything when it comes to federal grantseeking and award processes.

TIP

As you read through the application guidelines, highlight all narrative writing requirements and look for sections that tell you how the grant reviewers rate or evaluate each section of the narrative. By formatting and writing your narrative sections to meet the review criteria, you can edge out the competition and increase your funding success rate. (I tell you how to prepare and write for the review criteria in Chapter 11.)

Getting your request in the door at foundations and corporations

Before you even consider approaching a foundation or corporation with a grant request, you absolutely must research each and every potential foundation and corporate funding source. Don't rely solely on online grant-research databases. Let your fingers do the typing to find each potential funder's website. Read every link and become highly familiar with each source. Find out the organization's funding priorities, the number of grants it awards annually, and the grant request range. Become very fluent in who they are, what they fund, when they fund, and their mission statement.

REMEMBER

Whenever contract information is available, be sure to go out of your way to introduce your organization to the grantor before applying. It's critical that you get a green light before submitting your grant application. Building a relationship before asking for a grant is the first step in this introductory process.

TIP

As a new grantseeker of a particular funder, make sure your grant request is near the low end of the grantor's grant range. Private-sector funders don't want to award mid- to high-funding award range amounts until after they test the waters with a small grant award. After you've demonstrated ethics, cost-effective grants management, and accountability to the funder, you can then ask for larger grants in future requests.

In the past, some private-sector funders have been swamped daily with large volumes of unsolicited grant proposals. To circumvent this influx of steady reading and decision making, more and more private-sector funders have moved toward requiring an initial *letter of inquiry*, which is a brief letter asking about the foundation's interest in your project. If the organization is interested, it then asks you to submit a full grant proposal. If you fail to submit the letter of inquiry, you may find the door closed to your unsolicited grant proposal. I give you a link to an online letter of inquiry template at the end of Chapter 2.

Whether the private-sector funder is large or small, the attachments are a major portion of what counts with this group of grantors. The private-sector funder may ask for a copy of your organization's IRS letter of tax-exemption, a board of directors roster, organizational and project budgets, a copy of the nonprofit's tax return, Form-990, an organizational chart, and an audited financial statement.

Your organization's executive director or a member of your governing board's executive committee should build a relationship with any potential private-sector funder before you start begging for a grant. Courtesy and protocol mean everything in the private-sector funding environment, so always establish communications via email, a letter of inquiry, or a face-to-face meeting before sticking your hand out. In Chapter 22, I give you lots of tips on how to build relationships with potential funders.

TIP

If a board member at your organization happens to know a board member at the foundation or corporation you're targeting for funding, board-member-to-board-member contact can help a ton. Foundations and corporations make decisions based on specific funding priorities, which change periodically, sometimes even annually, based on the direction that the board of directors wants to take the foundation or corporation. Although the program staff initially reviews your grant proposal and makes recommendations to the board of directors, the board has the final approval or veto. Remember, board members can override staff decisions.

Making a List and Checking It Twice

REMEMBER

Whether you're submitting a hard copy of your grant application or a digital (e-grant) version, always follow the funder's instructions. I can't stress this enough! Here are some additional must-do's when preparing a grant application:

- Read the guidelines three times: one time to understand the general instructions, a second time to focus on the technical formatting requirements, and a third time to note the narrative content requirements.
- Highlight all technical and content requirements.
- Call the funder (if permissible) to clarify any conflicting instructions and ask questions in general.
- Write the grant in chronological order (the same order that the funder asks for the information in its guidelines).
- Get a second and third set of eyes to read the guidelines and check your application document line for line. Your readers should be looking at grammar, punctuation, formatting, content, clarity, connection between the narrative sections, budget accuracy, and inclusion of all mandatory attachments.

TIP

Don't forget to keep a copy of your proposal documents for your own files! For anytime access, I moved all my grant-related backup files from my computer's hard drive to cloud-based storage.

Tracking Your Submission Status

After you submit all your funding requests, you need to develop a tracking system that helps you keep up with their progress and cues you when the period of silence from grantors has been too long. Most public-and private-sector grantors specify a timeframe for when they will announce grant awards somewhere in the application packet or in the published description of their application process. At the federal and state levels, you can even enlist tracking support from your legislative team. To do this, you can directly call or write. However, at the corporate and foundation levels, you're on your own (unless, of course, members of your board of directors have friends and associates on the grantor's board of trustees).

The old-school approach is to develop a manual or electronic tracking system to monitor what you've written, who received it, and the status of your funding request (pending, funded, or rejected). However, the new and easier way to keep track of submitted requests is to purchase grant management or tracking software. Look at lots of cloud-based grants management options to meet your needs. You can find out what's available by typing "grant management systems" into your favorite web browser. These systems can cost thousands of dollars. However, many offer a free trial or demonstration, so you can see whether the program suits your needs before you buy.

TIP

Keeping track of how many grant requests you submit on an annual basis is a best practice. You also want to know how many of those requests were funded. For example, if you wrote 20 grant applications and 10 were funded (at any level), one-half or 50 percent of your requests were successful. Your success percentage is interpreted as your *funding success rate.* When you're looking for a raise or promotion, or simply trying to start your own grantwriting consulting business, everyone who has control over your future will ask you for your funding success rate. Track it; know it!

Jumping for Joy or Starting All Over?

When you win, you celebrate, right? Well, yes, you celebrate, but you also notify your stakeholders of your success in winning a grant award. And you prepare for the implementation phase now that monies are on the way.

When you win a grant award, it's important to remember to thank the funder (by a letter, a resolution, an invitation to your board meeting to acknowledge their monetary gift, and so on) and determine if you can issue a press release or if their contribution is confidential.

REMEMBER

If your grant request wasn't awarded, you have some critical steps to take to determine why your funding request was denied and when you can resubmit it. Follow these steps (and refer to Chapter 21 for more details):

1. **Contact the funding agency and ask why your grant application wasn't recommended for funding. Ask for a review of your application or for the reviewer's remarks.**

   You may have to ask for this feedback in writing so the grantors have a paper trail of whom they release information to and why.

2. **When you know where the weakness is in your grant application, develop a plan for rewriting.**

   You want to rewrite the weak sections of your narrative and ready it for submission to other grantors and even for future resubmission to the same grantmaking agency that rejected the first request. Grantors usually allow you to reapply in the next funding cycle (the next year).