

## Chapter 1

# Grasping the Nuts and Bolts of Grant Writing

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### *In This Chapter*

- ▶ Boning up on grant basics
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**A**nyone can attempt to write grant requests, but what makes an award-winning grant writer? A curious, needs-driven, community-connected person who's willing to approach the grant-seeking and grant-writing process one day or task at a time. To become a crack grant writer, you need to understand grant-related terminology. You want to organize the grant-seeking and application processes and familiarize yourself with the different types of potential funding sources. You also need to note how each potential funding source wants you to submit your request for funding and then track that request after you submit it.

In this chapter, I start you down the right path to grant writing success by opening your mind and abilities to understanding grant language and how to match needs to available bucks.

## Getting the Lowdown on Grant Basics

Before diving into the wonderful world of grant writing, you need to understand a few essentials, such as exactly what a grant is and who qualifies for one. Additionally, being able to understand what grantors want to fund is critical to crafting the right proposal for the right grantor. I explain all these topics and more in the following sections.

### Grants, grantees, grantors, and more: Defining common terms

Basically speaking, a grant (or, federally, a cooperative agreement) is a monetary award given by a grantor to a grantee. I use these terms throughout the book, so understanding them is important. Here's how I define them:

- ✓ **Grant/cooperative agreement:** The distinguishing factor between a *grant* and a *cooperative agreement* is the degree of federal participation or involvement during the performance of the work activities. When a federal agency program office participates in funded project activities, it's called a cooperative agreement. When the grant applicant is the sole implementer of project activities, it's called a grant.

A grant award can be used for whatever the grantor wants to fund, which is why reading the funding guidelines is so critical to your chance for success. (Refer to Part II for tips on poring over funding guidelines from multiple types of grantors.)

- ✓ **Grantor:** A *grantor* (also known as a *grant maker* or *funder*) is the organization or agency that receives your funding request and decides whether to fund or reject it. Grantors include the 26 federal government grant-making agencies; tons of state and local government agencies (including the U.S. territories); nearly 100,000 foundations and corporate grant makers; and individual philanthropists who opt to write business or personal checks for charitable causes.

Some grant awards come with basically no strings attached, but many others require you to use the funds in a certain way. Grantors with lots of strings attached to their monies are almost always government grant-making agencies (local, state, and federal public sector funders). Grantors with few strings attached are referred to as *private sector funders*. These grantors usually include corporate and foundation grant makers.



- ✔ **Grantee:** A *grantee* is the organization or individual designated to receive a grant award. (So, hopefully, the grantee is you.) **Remember:** Up until you're awarded the grant, you're a *grant applicant*; you become a grantee only if you receive an award.

So how do you get a grantor to give you a grant and make you a grantee? You send a *grant application* or *proposal* (also known as a *funding request*). A grant application is an advance promise of what you or your organization (the grantee) proposes to do when the grantor fulfills your request for funding. I tell you more about the pieces or sections of a grant application/proposal later in this chapter.

## *Outlining the pieces of a grant application*

A government grant or *cooperative agreement* application is a written funding request that you use to ask for money from a government agency. Government grant applications are all individualized by each of the 26 federal grant-making agencies. Each federal agency has dozens of agencies under its wing that release Notices of Funding Availability (NOFAs) or Request for Applications (RFAs). Each NOFA or RFA has different funding priorities and guidelines for what you need to write in order to submit a responsive and reviewable grant application. Government grant applications generally require that you write narrative responses for these sections (which I cover in more depth in Part IV):

- ✔ Executive summary or abstract
- ✔ Statement of need or statement of the problem
- ✔ 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 grant maker'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 does. Some foundations and corporate grant makers accept the Common Grant Application formats (see "Getting your request in the door at foundations" later in this chapter for more details).

## *Determining who can apply for a grant*

The types of organizations or entities eligible to apply for a grant vary from grantor to grantor, and in the case of government grants, often from NOFA to NOFA or RFA. Each type of grantor (government, foundation, or corporate) always includes clear, published grant-making guidelines that indicate who or what type of entity is eligible to apply for those specific grant funds. (See the grantor's website or request a paper copy of its grant-making guidelines by phone or e-mail.) Government agencies 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 and nonfederally recognized Native American tribal governments
- ✓ Independent school districts
- ✓ Nonprofits with and without IRS 501 (c)(3) (nonprofit) 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 (NGOs)
- ✓ Individuals

Most grants go to organizations that have applied to the IRS for nonprofit status and have received the IRS's 501 (c)(3) designation. Foundation and corporate grantors focus predominately on nonprofit organizations and aren't inclined to fund for-profits. However, a few grants are given to individuals (see Chapter 7 for details).

Since I've been writing grant applications, I've seen a growing number of grant awards made to cities, villages, townships, counties, and even state agencies. Although none of these governmental units are IRS 501 (c)(3) designees, they're still nonprofit in structure and can apply for and receive grant awards from the federal government, foundations, and corporations.

## Knowing Why You Need a Plan



If you're looking for funding to support an organization or a specific program, the first rule in grant seeking is that you don't write a grant request without first completing a comprehensive planning process that involves your organization's (the grant applicant's) key stakeholders: administrative staff and the board of directors.

Without key stakeholder input on what your *target population* (the people your organization serves) needs and the plan for closing the gap on these needs, you're fishing without the right bait. 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

- ✓ What programs are strong and already have regular funding to keep them going?
- ✓ What new programs need funding?
- ✓ What opportunities exist to find new funding partners?
- ✓ What existing grants expire soon?

When you answer these questions, you can begin to look at the multitude of areas where grants are awarded and begin to prioritize the type of funding you need. I write more about funding development plans in Chapter 2.

## Investigating Different Grant Types

Every potential grant-funding agency publishes specific types of funding it awards to potential grant seekers. When you know what you want to use grant monies for (see the preceding section), you can evaluate whether your request fits with the type of funding the grantor has available. For example, if you want money for an after-school program, you can skip applying to a grantor that's awarding building/renovation grants. The following list gives you the scoop on 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 these types of projects.
- ✔ **Capital support:** Grants for equipment, buildings, construction, and endowments. This type of request is a major undertaking by the applicant organization because these types of large-scale projects aren't quickly funded. An organization often needs two to three years to secure total funding for these projects.
- ✔ **Challenge monies:** Grants that act as leverage to secure additional grants from foundations and corporations. They're awarded by grant makers that specifically include *challenge grants* or *challenge funds* in their grant-making priorities. These types of grants are contingent upon your raising additional grant funds from other funding sources. Typically, a challenge grant award letter directs you to raise the remaining funding from other grantors; however, the category "other grantors" 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 secure the expertise of a consultant or consulting firm to strengthen some specific aspect of organizational programming. For example, if you bring in a consultant to do a long-range strategic plan or to conduct training for a board of directors, you're paying for consulting services.
- ✔ **Continuing support/continuation:** Grants the grantor awards to your organization after you've already received an initial grant award from that same grantor. These monies are intended to continue your initially funded program or project.
- ✔ **Employee matching gifts:** Grants from employers to match the monetary donations their employees make to nonprofit organizations, often on a ratio of 1:1 or 2:1. If you have board members employed by large corporations, have them check with their human resources departments to see whether their employers have such programs.

- ✔ **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. However, some fellowship grants are awarded by federal agencies; independent organizations such as foundations or associations (for example, the American Psychological Association); and academic, research, or policy institutions. *Portable fellowships* are awarded to students to study at an institution of their choice. *Institutional fellowships* are awarded to individuals by universities and other institutions to support the individual's study or research at that institution.
- ✔ **General/operating expenses:** Grants for general budget line-item 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 organization growth, 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:** Scholarships awarded to 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 grant 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. Alternatively, the funding foundation's personnel may provide the technical assistance. For example, a program officer from a foundation may work on-site with the applicant organization to establish an endowment development fund and start a campaign for endowment monies. In some instances, the funding source identifies a third-party technical assistance provider and pays the third party directly to assist the nonprofit organization.

## Connecting to Public Sector Grants

I probably receive more than 100 e-mails daily and just as many telephone queries weekly. Everyone wants grants! If you're feeling clueless as to how to find potential funding for your organization, you simply need to use the Internet. You can search for potential sources that are interested in what your organization needs in the way of goods and services. Fire up your computer and start searching for the monies that may be waiting for your organization. One of the largest grant-making entities is the U.S. government. If you want to score big in grant awards, start with Uncle Sam.



Conducting a funding search leads you to the money. But before you start your search, you need to know what type of grant money (or grantor) will pay you to implement your idea, project, or program. I introduce you to your options in the following sections.

### *Federal funding: Tapping into congressionally allocated dollars*

The first place to look for money is within Uncle Sam's pockets. The federal government is a public funding epicenter. I'm not one to tout the availability of "free" federal grants, but I can tell you that the government does have money for specific types of grant applicants and projects. In Chapters 4 and 5, I give you the complete scoop on using the Internet to find and apply for government grants.



If you're interested in looking at what the feds have to offer, take some time to look through the Catalog of Federal Domestic Assistance (CFDA), which you can find at [www.cfda.gov](http://www.cfda.gov). The CFDA is the encyclopedia of grant-funding programs, so it doesn't tell you about open grant competitions that you can apply for at a particular time. For that information, go to [www.grants.gov](http://www.grants.gov), which gives you daily funding announcements on money you can apply for *now*.

### *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 regrant 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 state agencies that regrant federal monies are agriculture, commerce, education, health, housing development, natural resources, and transportation. You can also contact your state legislator's staff at his or her local office or at the state capitol for assistance in identifying grant opportunities within your state.

## ***Picking Up On Private Sector Grants***

As I note earlier in the chapter, foundation and corporate grant makers are private sector funders. The rainfall of private-sector grant money is conservative, but it's also continuously available to grant seekers 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 Foundation Center Cooperating Collections site (usually at a state university library, community foundation, or other nonprofit information center). The Foundation Center's web address is [www.foundationcenter.org](http://www.foundationcenter.org).

### ***Perusing foundations that award grants***

*Private foundations* get their monies from a single donor source, such as an individual, a family, or a corporation. Think about all the wealthy individuals who have started their own foundations, such as the McKnight Foundation (Minnesota) or the David and Lucille Packard Foundation (California). You can find hundreds of private foundations in the Foundation Center's online directory or by searching for *list of private foundations* or *private foundations* and your state in 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? They also receive a great deal of their funding from foundation and corporate grants. Again, the Foundation Center's website can give you loads of information on these types of foundations. Lots of public foundations focus on the arts, environment, and faith-based initiatives. Several well-known public foundations include the W.K. Kellogg Foundation (Michigan) and the Hartford Foundation (Connecticut). Remember, the grant-seeking and grant-making processes are the same for public and private foundations.

## *Scoping out corporations that award grants*

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 buzz phrase of the millennium is “corporate responsibility.” *Corporate responsibility* is the approach that a successful business takes when it decides to make a financial commitment to the community where its headquarters are located or where it has operating locations.

Corporations that award grants usually have a website link labeled *Community*, *Community Relations*, *Social Responsibility*, *Local Initiatives*, *Grants*, or *Corporate Giving*. Use the Foundation Center’s website to view some corporations with giving programs, such as Verizon Foundation (New Jersey) and the Coca-Cola Foundation (Georgia).

## *Understanding What Goes into a Traditional Hard-Copy Submission*

One of the biggest keys in grant writing is recognizing the different application formats and when to use them. Some grantors require more information than others. In fact, some grantors have reams of forms that you can quickly download, save in PDF file form, and open with ease if you have PDF software on your computer.



Determine the writing format for each funding source that you identify. Call or write each source and ask for its guidelines for submitting a grant application or proposal. Governmental agencies have their own application kits, and you can submit applications for these agencies at certain times in the year only. Foundations and corporations may also have their own formats. If not, they may instruct you to use a regional grant application format or submit a two- or three-page letter of initial inquiry. I cover the entire process of successfully putting together a grant application in Part IV.

## *Looking at the feds' 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 letter* (a regional or national grant proposal format that includes a description of your organization and your request), certification and assurances forms, narrative sections, and the budget narrative and forms. And of course, all types of 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. (Flip to Chapter 5 for more about the application package.)



Always follow the pagination, order of information, and review or evaluation criteria guidelines. All government grants are awarded on the basis of your meeting their point-weighted review criteria, which are written and published in each funding agency's grant application guidelines. The review criteria tell you what the peer reviewers will read and rate when they receive your grant application. (Most grants use a 100-point system.) With the competition being so hot and heavy for the feds' pot of gold, you want to carefully craft an award-winning narrative that scores at least 95 points or higher. The grant applications recommended for funding (a grant award) typically score in the mid- to high-90s.



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 to meet the review criteria, you can edge out the competition and increase your funding success rate. In Chapters 9 and 10, I tell you how to prepare and write for the review criteria.

## *Getting your request in the door at foundations*

When the economy is tough, many foundation grantors cut their grant-funding programs in half (or decide to only support existing grantees). Even some of the larger foundations that previously awarded grants several times per year reduce

their grant-making cycle to once per year. To combat this cutback, you need to do your homework by visiting the foundation's website to see its funding priorities, the number of grants awarded annually, and the grant request range (your grant request needs to near the low end of the grantor's grant range).

In the past, some foundations have been swamped daily with large volumes of unsolicited grant proposals. To circumvent this influx of steady reading and decision making, most foundations have moved toward requiring an initial *letter of inquiry*. It's just a brief letter inquiring about the foundation's interest in your project. If you fail to submit the letter of inquiry, you may find the door closed to your unsolicited grant proposal. If the foundation is interested, it then asks you to submit a full grant proposal.

Whether the foundation is large or small, it most likely requires a cover letter as well as a variety of attachments. The attachments are a major portion of what counts with this group of grantors. The foundation may ask for the project's evaluation plan, your organization's structure or administration, your finances, and other supporting material.

My favorite private sector (corporations and foundations) grant application format is the one that was developed by the National Network of Grantmakers (NNG). The grant application format, also known as the Common Grant Application (CGA), is accepted by many smaller corporate and foundation grant makers. To determine whether using the CGA is appropriate in your situation, check the grantor's guidelines by contacting it directly or seeking information in one of the many available grantor directories.



I include a PDF of the CGA on the CD that accompanies this book.

The CGA format has a cover sheet, a two-section narrative, and multiple attachments. I use the CGA format for 90 percent of the foundation grant requests that I write. The format works well because it contains all the essentials. Even if a grantor requests a different order of information, you can do a lot of cutting and pasting from a grant application written in the CGA format to create a non-CGA grant request.



Before you start writing in a generic format such as the CGA, check to see whether the region you operate in requires you to use a different format. The Forum of Regional Associations of Grantmakers, a national network of local leaders and organizations across the United States that support effective charitable giving, can be found online at [www.givingforum.org](http://www.givingforum.org). Most of the regional groups of foundation grant makers you can find at this site have designed their own specific grant application formats.



If a board member at your organization happens to know a board member at the foundation you're targeting for funding, board-member-to-board-member contact can help a ton. Foundations 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. 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.

## *Knowing how and when to ask for funds from corporations*

Many of the Fortune 500 corporations are cutting back on staff, business travel expenses, and, regrettably, grant making. In hard times, the amount of money available for grant making lessens, but don't let this fact deter your corporate grant-seeking efforts. Read the top-name magazines that profile major corporations. Find out who's making a profit and who isn't. Only plan to approach those corporations that are floating high above those with troubling financial signs and times. In other words, go where the money is!

Writing a corporate request is a piece of cake. Corporations require a shorter writing format than the one used by foundation grantors. However, corporate grant makers that don't have their own specific funding request application forms are usually very receptive to the corporate letter request format. Chapter 21 shows you how to use this format to develop a short and effective letter to request goods, services, and even cash.

## *Submitting your hard-copy request*

When you've finished writing your grant proposal, you still have a few more steps to take before you can breathe deeply and really relax. If the funding agency provides an application checklist, use it to make sure your grant application package is complete in the grantor's eyes. If you don't have a grantor-provided checklist, create your own and check off each item requested in the grant guidelines. Make sure each section and form is in the order requested in the guidelines. Also, proofread your narrative and other forms several times before considering the application package final. Get help from a colleague or hire a professional proofreader, like I do. Check out Chapter 18 for more about wrapping up your funding request.

## ***Checking All Requirements for E-Grant Submission***

Since the previous edition of *Grant Writing For Dummies*, the number of grant makers requiring online submissions has increased tenfold. E-grants seem easy on the surface, but the process and the writing requirements can be tedious and technical.

Many e-grants formats have character, space, and/or word limitations. Therefore, you must first type your e-grant narrative in a word processing program; count the characters, words, and/or pages and check the line spacing; and then revise so that your copy/paste narrative section fits. Some e-grant formats also prohibit any attachment uploads, which means you have to type in proposal narrative sections and budget numbers to present the full picture. Make sure to print out all of each grantor's e-grant requirements and create a checklist so you don't miss any technical submission requirements. Chapter 18 gives you more information about submitting grants electronically.

## ***Yes, No, Maybe: Tracking Submissions and Their Statuses***

After you've submitted all your funding requests, you need to develop a tracking system that helps you keep up with their progress and cue you when the period of silence from grantors has been too long. Most government and private sector grantors specify a time frame somewhere in the application packet or in their published description of their application process for when they will announce grant awards. At the federal and state levels, you can even enlist tracking support from your legislative team. 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 has 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 for lots of popular software packages to meet your needs. You can find out what's available by doing an Internet search for the term *grant management software*. Software programs may start at \$1,000 and go up to several thousands of dollars.



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 15 were funded (at any level), three-fourths or 75 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 grant-writing consulting business, everyone that 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.



If your grant request wasn't awarded, you have some critical steps to take to determine why your request was denied and when you can resubmit your funding request. Here are the steps to follow (also refer to Chapter 20 for more details):

- 1. Contact the funding agency and ask why your grant application wasn't recommended for funding.**

You may have to ask for this feedback in writing so the grantors have a paper trail for 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 grant-making agency that rejected the first request. Grantors usually allow you to reapply in the next funding cycle (next year).

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