

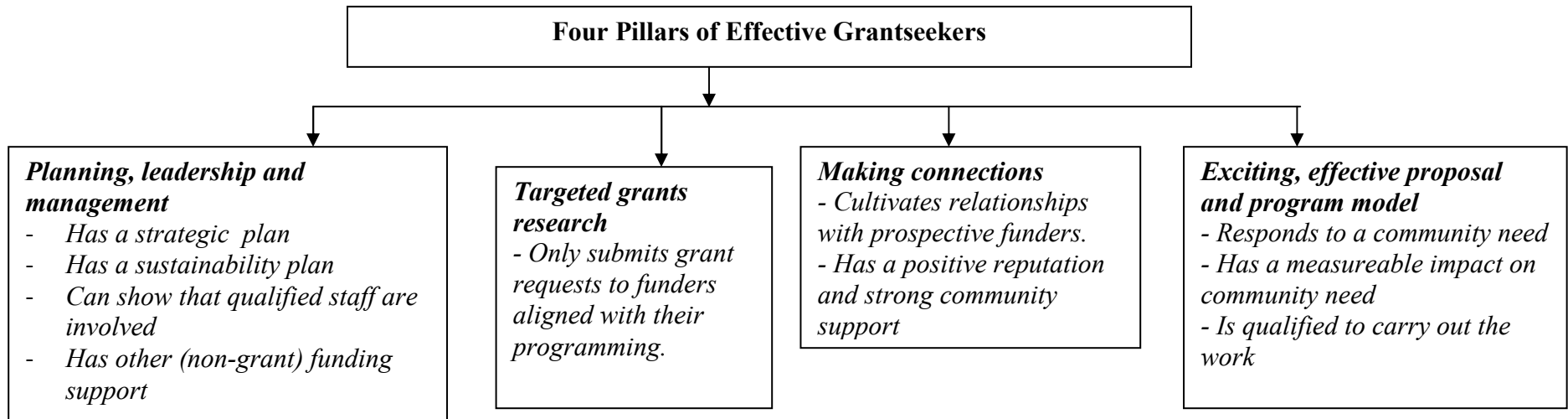


Service strategy for tax-exempt (501c3) nonprofits seeking grants for the first time

1) Before you start...are you ready?

Grantseeking has gotten more and more competitive in recent years. Foundations in major cities review 300 grant proposals every quarter; national foundations review thousands of proposals. Funders support not just great proposals, but great organizations. You may have the best idea, but funders want organizations to prove that you are the best organization to implement and manage a grant. Funders also tend to fund organizations that they are familiar with and are confident can do the job right.

Below is an outline of what effective grant seekers do to improve their chances for success.



2) How We Work

Step 1: We never take your money if we don't think we can help (no charge for an initial phone consultation)

We use the Four Pillars to determine whether or not we can help you. There are some other reasons why we might elect to not enter into an agreement with your organization:

- You may be in the process of developing your programming, management structure, and a way to evaluate your success.
- We ask that you have a budget developed before we begin working with you. If you have been in existence for a year or longer, we ask that you have year-end financial statements. Grantmakers often review your financial statements before they look at the rest of the proposal, so those are extremely important.
- Each funder has very specific grant guidelines and interests. Some very important organizations aren't good candidates for grant funding. For example, there are very limited grant funds available to provide childcare services. That doesn't mean childcare organizations are not doing valid work, but that few community grantmakers have identified childcare as a priority area for funding.
- If funders have not supported programs similar to yours in the past, it can be extremely difficult to sell them on a new idea.

Note that many first-time grant applicants struggle during their first few years to obtain grants. For the reasons stated in the Four Pillars, even the best grant request does not guarantee that you will obtain grant funding.

Step 2: Grant Writing Process (flat fee: see page 4 for details)

If we both agree that it is feasible to move forward and pursue grant funding, in collaboration with your agency's leader or leadership, one of our consultants will carry out the following steps:

- 1) Prepare your organization to seek grants
 - i) Colorado Grants will describe what your responsibilities will be in the grants process, and what funders will expect from you.
- 2) Ask for information
 - i) Identify what specific areas you want to obtain funds for, and outline specifically how those programs function. You will be asked to describe who is served (including demographics), how they are served, how frequently, and how many are served. You will also be asked where they are served, what goes on in a typical activity, and what other organizations collaborate with the program.
 - ii) Create an evaluation plan for your programs, with quantifiable measurements (numbers served, changes in behavior/attitudes, etc.)
 - iii) Create a fund-raising strategy that does not rely exclusively on grant funding. Recommend other funding strategies to complement grant seeking efforts.
 - iv) Ensure that your financials are in the format required by foundations. This includes having an income/expense budget and year-end financial statements for the most recent year of services. It may also require you to produce interim financial statements through the current operating month. Also, if requesting funds for a specific program, you'll need to have a program budget identifying expenses only related to that program.
 - v) Explore how your board will provide oversight and feedback on evaluation results, and how they will support fund-raising efforts.
 - vi) Colorado Grants will identify at least five potential funders, and develop a template proposal in the common grant application format.

Note that due to fierce competition and narrow funding priorities, grants from the federal government are almost never feasible for a first-time grant applicant.

Federal grants are awarded as a request for proposals. In other words, the federal government tells you what they want you to do, rather than you telling them what you'd like to do. Federal grants are typically awarded to established organizations that have history of managing other federal grants.

3) Fees

For a proposal in the Colorado Common Grant format plus a list of five prospective funders, we charge \$1500.

We don't work on contingency or commission fees

We follow the Association of Fund-Raising Professional's stance on contingency fees: "Members shall not accept compensation or enter into a contract that is based on a percentage of contributions; nor shall members accept finder's fees or contingent fees." In addition, almost all funders will reject a proposal if they know you're paying a grant proposal writer on commission.

Beyond the ethical concerns, a grant proposal writer cannot control many factors that go into the decision on your grant request. These include the strength of your financial statements, your presentation in in-person interviews with foundation staff members, the strength of your board of directors, the timing of your grant request, and the strength of your program model.

Contact us at jkatz@coloradogrants.org if you are interested in proceeding.