



IS YOUR NONPROFIT GRANT-READY?

Quick Facts:

Foundations provide meaningful support to many nonprofit organizations. However, grants should NEVER be thought of as a primary revenue source for three key reasons.

1. There are no guarantees of grant acceptance.
2. Grant dollars are limited. Foundations account for only 16% of the nonprofit donations made in the United States in 2015.¹
3. Competition for those limited grant dollars is fierce. Currently there are more than 1,800,000 active nonprofit organizations in the United States. Virginia has more than 56,000 active nonprofit organizations.²

Foundations **DO FUND** proven successful organizations who can deliver proven successful projects. Foundations **DO NOT FUND** organizations in the idea stage or start-up stage. Most new nonprofits are not ready or eligible to get grants.

Foundations **DO FUND** organizations with financial stability and diverse revenue streams.
Foundations **DO NOT FUND** organizations that do not have a proven financial track record.
Foundations **DO NOT FUND** organizations that plan on grants as a primary funding source.

Grant-Ready Checklist

Use the information checklist on the following page to ensure your organization is grant-ready. If you cannot complete all of the items on the list, then your organization is not grant-ready.

¹ *Giving USA 2016 Report*, <https://givingusa.org/> (January 5, 2017)

² *Guidestar Nonprofit Organizations in the United States*, <http://www.guidestar.org/rxg/analyze-nonprofit-data/nonprofits-in-the-united-states.aspx> (January 5, 2017)

Grant-Ready Checklist

Organizational Readiness

- ✓ [501 \(c\)\(3\) IRS registration](#)
- ✓ [Federal EIN number](#)
- ✓ [Virginia Department of Agriculture and Consumer Services \(VDACS\) solicitation registration](#)
- ✓ Mission statement
- ✓ Vision statement
- ✓ Board members who are community leaders with solid records of organizational support
- ✓ Strategic Plan
- ✓ Communication plan – internal and external (website and others)

Proven Impact

- ✓ Case Statement
 - Organizational history
 - Program descriptions – needs, priorities, clients, services, locations, and staffing
 - Future goals and strategies
- ✓ Documented programs and outcomes
- ✓ Testimonials and references of outcomes

Clearly Stated Policies

- ✓ Fundraising and marketing policies
- ✓ Grant management policies to report outcomes and results
- ✓ Donor rights
- ✓ Gift solicitation, acceptance, and management policies

Financial Readiness

- ✓ Program budget – annual and projected
- ✓ Audited financial statements
- ✓ Copies of the organization's past two years' federal tax returns

Project Readiness

- ✓ Identify the dollar amount needed to be raised from grants.
- ✓ Identify the other sources of funding for the project. Foundations do not give 100%.
- ✓ Define the project with goals, objectives, strategies, and timeline.
- ✓ Identify the staff needed to carry out the project.