A Decent Proposal
Finding Success in the Competitive World of Grants
JEFF SOBERS, CLAY MYERS-BOWMAN, SPENCER O. PERLMAN, ADAM ROTH, DIANE H. LEONARD, GPC
# Table of Contents

Introduction..................................................................................................................3  
Jeff Sobers  
Financial Solutions Manager, Blackbaud

Getting Noticed.........................................................................................................5  
Clay Myers-Bowman  
Owner, Myers-Bowman Consulting

The Importance of Being Organized and Strategic in Pursuing Federal Grant Opportunities....7  
Spencer O. Perlman  
President, Washington Strategic Consulting

Ethical Considerations in Grant Seeking and Writing..................................................10  
Diane H. Leonard, GPC  
Owner, DH Leonard Consulting & Grant Writing Services, LLC

DATA Act to Transform Federal Grant Reporting.........................................................12  
Adam Roth  
President and CEO, StreamLink® Software

Bios..........................................................................................................................15
INTRODUCTION:
Jeff Sobers
Financial Solutions Manager, Blackbaud

While 2013 brought signs of economic recovery, the overall situation in the nonprofit industry is still difficult. The need continues to rise, and meeting the need is more difficult than ever. According to the Nonprofit Finance Fund’s 2013 State of the Nonprofit Sector Survey, 90% of all respondents indicated things will be as hard or harder for their clients this year versus the previous year. Unfortunately, 54% of nonprofits surveyed indicated they would not be able to meet the entire demand for their services.

The effects of government shutdowns, fiscal cliffs, and sequesters are felt more in the nonprofit sector than anywhere else as funding continues to decline. Even when funding is keeping pace, delays in receiving government payments have reached all-time highs. And the private sector has not stepped up to fill the gap, as giving has remained stagnant at approximately 2.4% of GDP since the 1970s. These financial pressures have led to intense competition among nonprofits for funding from the federal government, state and local governments, and private foundations.

In order to stand out among the sea of nonprofits, each with a similar mission and value proposition, it’s critical to have an understanding of the key areas each funder is looking for when reviewing the applications.

Despite the financial strain, half of all nonprofits are planning to add or expand programs this year, and almost half are planning to increase the number of people they serve. Nonprofit organizations are identifying new ways to meet the challenge, whether by partnering with other nonprofits, reducing administrative expenses to direct more money to programs, upgrading technology to improve services and organizational efficiency, or advocating to governments on behalf of their cause.

Strategies to maximize grant funding fall into two categories: receiving additional grants and renewing existing ones. Identifying the right grants to pursue is critical, as is making the best case possible in your application. Proper stewardship of grants and outcome-based reporting ensures that funders continue to renew year after year.
In order to stand out among the sea of nonprofits, each with a similar mission and value proposition, it’s critical to have an understanding of the key areas each funder is looking for when reviewing the applications. While program expansion might be the easiest thing to discuss with funders, well-run organizations also have open dialogue about facility needs, working capital, cash flow concerns, building reserves, and debt burden. These core financial needs must be considered by the organization as it is building its funding base. Otherwise the organization’s reach will exceed its grasp.

Funders are also interested in the long-term impact of the nonprofit. Sustainability has become the key concern of both funders and nonprofits alike, and more than half of all nonprofit organizations regularly measure the long-term impact of their programs. But doing so is becoming more and more difficult, as staff time is limited, expertise is lacking, and in many cases it is difficult to identify the concrete measures to determine the impact of a program that can be communicated to funders.

This eBook provides the strategies and tactics to communicate needs, measure and improve impact, partner with industry-leading organizations, and move past business as usual. The articles are from leading experts in all facets of grant management, from application to accounting for grants. We would like to thank them for their time and effort to provide this resource for the benefit of the nonprofit community. This is just the tip of the iceberg, and it is intended to be a small portion of the content that these individuals and their organizations can provide. This is the first step on the path to building vibrant grant funding, and we encourage you to further explore the resources at your disposal from each of our authors.
GETTING NOTICED
Clay Myers-Bowman
Owner, Myers-Bowman Consulting

For the purpose of this article, I use the word “foundation” to encompass all types of grant-making entities: public, private and family foundations, corporate foundations, and governments.

There are lots of things you have to do well in order to compete for foundation grants. You have to have compelling and successful programs, demonstrated needs, fabulous staff and board leadership, creative collaborators, real and significant outcomes, and the list goes on and on.

Even if you have all of these elements, it can still be quite challenging to not only compete for grants, but to also get noticed by the foundations that share your mission and values. In my experience, this is the biggest challenge to raising significant new money from foundations. It’s even harder to get noticed by the thousands upon thousands of foundations that don’t accept unsolicited inquiries or proposals. Recently, I did a fairly extensive grant search and it seemed as though more than half of the foundations I found didn’t accept unsolicited proposals and were “invitation only.”

This experience got me to thinking: How do you get invited to submit a proposal if the foundation does not or will not notice you? How do you get noticed? How does your organization position itself to stand out from the crowd?

There’s a simple answer to these questions: You have to be “present” in order to get noticed.

Being present in your area of influence is usually achieved over time. Often it requires a well-thought and executed content marketing strategy, one that showcases your success at solving the problems that funders, whether individuals and foundations, want to solve.

I’m amazed when I hear about a nonprofit organization that doesn’t regularly generate or use existing content, such as articles, photos, news releases, and videos, on its blog, website, or social media.

MORE >
platforms. And that’s unfortunate. Unfortunate because social and online media can offer even the smallest organization the opportunity to find and engage funders who share its mission. In the digital age, it’s easier than ever to get noticed, claim your successes, and advance your mission.

**HERE ARE SOME STEPS YOU CAN TAKE TO TRY TO GET NOTICED:**

1. Find someone to help you put together a content and social media marketing plan. Many helpful resources are just a Google® search away.

2. Expand your reach and your sphere of influence. Don’t be complacent and rely on your current supporters and connections. Set aside time to connect with new people and groups.

3. Become a thought leader. That’s what it takes to significantly advance your mission. Post articles and videos from your CEO, board chair, or other leaders in your organization. Offer advice and expertise. Engage in online conversations in your sphere of influence. Don’t be shy.

4. Make a list of potential foundation supporters and look them up on LinkedIn® and Facebook®. Get to know them, “Like” their pages, and follow what they’re doing online. What you learn may help you write a proposal that’s better informed and more focused.

5. Create specific plans for each foundation on your list and think of strategies to position your organization to be on their radar screen during the next round of funding.

6. Make sure to match your social media content with the proposals you are writing. You want program officers and foundation staff to be able to find your content if they start looking for it. Use a basic grant proposal outline as a guide for the types of content to generate.

Getting noticed amid the ever-increasing number of worthy causes is harder than ever before. But the tools you have available are cheap, easy to use, and at your fingertips. It’s not a matter of whether you can or can’t do it; it’s whether you will or you won’t. The choice is up to you.
THE IMPORTANCE OF BEING ORGANIZED AND STRATEGIC IN PURSUING FEDERAL GRANT OPPORTUNITIES

Spencer O. Perlman
President, Washington Strategic Consulting

Completing a federal grant application is challenging and time consuming. Most federal opportunities require applicants to present a range of highly technical information in a compelling manner. On average, it takes approximately 180-200 person-hours to complete a quality federal application, and most applications are due within 30-60 days after their release. Compiling an application can be daunting. Despite these challenges, there are three highly compelling reasons for pursuing federal grants:

THREE REASONS FOR PURSUING FEDERAL GRANTS:

**Funding** — There is no other funding source that can match the federal government in terms of diversity of funding opportunities and the level of resources available. A federal grant can provide hundreds of thousands of dollars in ongoing support annually to a program.

**Leverage** — Organizations that receive federal grants are able to leverage governmental support for additional resources from private foundations and state and local governments. Non-federal funders recognize that if an organization’s program receives federal support, then it must be of high quality and worthy of investment.

**Prestige** — Obtaining federal funding lends a program credibility and offers the organization priceless exposure. Most recipients of federal funding publicize their status as a grantee and utilize its stature to raise awareness of programs locally, regionally, and nationally.
The key to being successful in the competitive world of federal grants is to be organized and strategic. One person cannot singlehandedly prepare a quality, competitive federal grant application in a timely fashion. To be successful, an applicant organization needs to prioritize grant management and organize a grants team with representation from several business units to identify opportunities, ascertain its appropriateness for the organization, and lead proposal development.

The grants team should be led by a full-time grants director who has the support of the organization’s leadership. Other grants team members should include a dedicated grant writer and persons with responsibility over the organization’s administration, finances, human resources, public relations, community relations, quality assurance, and information technology. In addition, the person who is primarily responsible for the day-to-day management of the program for which federal funding is being sought should be engaged in all of the grants team activities.

As the grants team determines which opportunities to pursue, it is important to understand what federal grants will and will not fund so that organizations only invest resources to prepare a competitive application on viable grants.

What Federal Grants Will Fund:

1. Federal funding is awarded to further the mission of the relevant federal agency and address broad national goals. An application must indicate how the proposed program will address a quantitatively demonstrated national need. Programs or projects that are irrelevant to the funding agency’s mission, narrow in scope, or beneficial only to the applicant organization will not be competitive.

2. Federal agencies favor grant applications requesting funding for programs that are operational and have a quantitatively demonstrated history of success. Organizations should focus on their strengths and most successful programs when considering whether or not to pursue a federal grant. Programs or projects that are purely aspirational are rarely successful in securing federal funding.
Pursuing federal funding can be extremely beneficial if an organization takes a strategic and organized approach. Once a federal agency invests in a program, it is likely to continue that investment over multiple years. A well organized and strategic organization can benefit significantly from federal grants and will establish a history of success that can grow the organization for years to come.
ETHICAL CONSIDERATIONS IN GRANT SEEKING AND WRITING

Diane H. Leonard, GPC
Owner, DH Leonard Consulting & Grant Writing Services, LLC

Ethics is defined in the Merriam-Webster® Dictionary as “a branch of philosophy dealing with what is morally right or wrong.” In the grant profession, the codes of ethics are modeled after the pre-existing Association of Fundraising Professionals code of ethics and focus on grantor expectations, intent and honesty of the relationship, and information shared by the grantee. The Grant Professionals Association’s (GPA) code of ethics outlines the standards of professional practice for grant professionals and specifically outlines ethical requirements regarding professional obligations, solicitation and use of funds, and presentation of information. The American Grant Writer’s Association (AGWA) has a similar code of ethics.

In the grant profession, the codes of ethics focus on grantor expectations, intent and honesty of the relationship, and information shared by the grantee.

There are numerous ethical considerations that grant professionals must take into account in their grant seeking and writing process that are covered by these two codes of ethics. Interestingly, one of the most common reasons members of the GPA and AGWA cite the code of ethics is related to the payment of grant professionals. While an important ethical consideration, I encourage you to think beyond compensation and consider three potential and all too common ethical issues that often arise in the grant seeking and writing process.

Have you disclosed any of your relationships with a potential new or ongoing grant funder that could be considered a conflict of interest?

While all fundraising and grant activities involve personal relationships on a basic level, it is critical that as a grant professional you are upfront and honest about any existing relationships with potential grant funders from previous jobs or client situations. The relationships built with a program officer or manager carry a significant amount of weight as the staff from the funding agency or organization learns to understand and trust the work product you produce as a grant
professional. Sharing the existence of these relationships, even when it could result in a potentially positive gain for the applicant organization, is critical to an open dialogue and avoiding any reproachable conflicts of interest.

**Have you worked with your colleagues to write a proposal that creates realistic expectations within the program design, goals, and objectives?**

Writing an application that has overly lofty goals or purposefully understating goals and objectives in order to look “more attractive” to a funder is creating an unrealistic expectation and not helping to establish a strong funder relationship. While not an ethical requirement, writing SMART (specific, measurable, achievable, realistic, and time-limited) goals and objectives can help focus the grant request. Writing in SMART format for goals and objectives can also help both the applicant and the potential funder determine if the goals are scaled and appropriate to the size of the proposed program and requested level of funding.

**Have you worked with the organization’s finance staff to develop an accurate project budget for the proposed funding?**

Creating a budget for a new or expanded program can be difficult, but it is imperative to ensure all anticipated expenses are included with enough detail to prevent the program from having unplanned and unfunded expenses. At the same time, creating a budget that has sufficient detail to back up all expense line items is critical rather than “cushioning” a line item to plan for the unexpected. Failing to have that level of detail available, whether formally submitted with the proposal or not, creates not only questions during implementation, but potential supplanting issues also.

Starting the grant seeking and writing process with all ethical considerations taken into account will set the stage for ethical grant implementation and management once funding is awarded, and it will help create successful long-term grant funding relationships and partnerships.
DATA ACT TO TRANSFORM FEDERAL GRANT REPORTING

Adam Roth
President and CEO, StreamLink® Software

Recently passed in the House and now entering for Senate consideration, the Digital Accountability and Transparency Act (DATA Act) is poised to usher in an era of unprecedented insight into federal spending.

Overcoming Data Fragmentation

Currently, government spending data is fragmented across agencies with inconsistent standards, processes, formats, and deadlines.

The DATA Act would change this through the introduction of data standards. Machine-generated unique identifiers would be algorithmically produced for elements such as recipients, awards, agencies, and programs. Once these are in place, spending data could be aggregated, reconciled, and published.

This results in greater transparency into government spending, stricter accountability for the use of funds, and the ability to pinpoint fraud and waste system-wide. It also would allow for the awarding of funds based on performance, making sure the most effective recipients and projects get the money they need to succeed.

*Note: The standardization of grant collection and reporting methods was proven feasible in the Grants Reporting Information Project pilot study.*

Open Data Benefits for Grant Managers

Without data standardization and a single portal for information entry, the grant manager’s job is cumbersome. It’s common to manually submit the same information in varying formats to multiple stakeholders, causing duplicate and unnecessary work.
Vastly different reporting requirements across agencies also make it hard for grant managers to know if they are in compliance. Compliance with one agency does not automatically mean compliance with others, which can be confusing and frustrating.

For grant recipients, the DATA Act presents the promise of compliance automation and grant management efficiencies through machine-readable data (data points with unique identifiers that could be aggregated, verified, and analyzed with minimal human effort).

In the words of Michael Wood, former executive director of the Recovery Accountability and Transparency Board, “[With the right systems,] if you can buy a book on Amazon®, you can report.”

Once these initial systems are in place, machine-readable data could save a considerable amount of time and costs from a reporting perspective for both the grant manager and the government. Waste, fraud, and abuse would be difficult to achieve and easier than ever to expose, which would free up funds for more responsible grant stewards.

More efficient processes also mean that grant recipients gain added capacity, allowing them to focus more resources on revenue-generating activities.

**Grant Reporting Overhaul**

The DATA Act also introduces new compliance hurdles and stricter reporting requirements for federal award-reliant organizations. Funds will need to be tied to performance, and the need for return on investment will be heightened.

As a result, recipients will need to build their grant management strategies around the documentation, data structure, and controls necessary for audit success. With more complex grant reporting requirements, grant management must become more transparent to ensure compliance. This often requires a shift in grant reporting processes.
Today, federally funded organizations report spending, on average, 40% of their time on administrative tasks, such as locating documents, assigning staff follow up, or aggregating data. Without a revamp of processes, new reporting requirements stemming from the DATA Act could have crippling effects on awardees.

But it doesn’t have to be that way.

Grant management technology can help centralize grant management-related activities, tasks, data, and supporting documentation, so that they’re easily searchable and able to be reported on in an efficient manner. On average, this saves organizations 72% of administrative time, while helping to ensure compliance with audits and evaluations.

Take proactive steps today to ensure future compliance.
BIOS

Jeff Sobers  
Financial Solutions Manager, Blackbaud

Jeff Sobers, senior products marketing manager for financial solutions at Blackbaud, has nearly 20 years of experience in accounting, sales, and marketing. At Blackbaud, he gathers nonprofit feedback and market trends to help improve accounting products and services. Connect with Jeff on LinkedIn®, Twitter®, or check out his blog on npENGAGE.

Clay Myers-Bowman  
Owner, Myers-Bowman Consulting

Clay is an award-winning leader and entrepreneur who has spearheaded dozens of projects in both the business and nonprofit sectors for the past 26 years. This experience, coupled with strong humanitarian values and professional ethics, has enabled Clay to plan and execute highly successful fundraising campaigns, business ventures, signature events, and membership drives. Clay received his bachelor of science in speech communication and theater from Manchester University and has done graduate work in philanthropic studies and public relations at both the Center on Philanthropy at Indiana University and Kansas State University.

Spencer O. Perlman  
President, Washington Strategic Consulting

Spencer has 17 years of experience providing government relations and grants management counsel to health providers, social service organizations, and patient advocacy groups. He is skilled in delivering detailed policy analysis and leading complex grantwriting projects. Spencer is the author of the WSC Federal Grants Workbook, a unique resource designed to simplify the grantwriting process for persons of any skill and experience level. Spencer received his bachelor of arts degree in history and English from the University of Michigan.
Diane H. Leonard, GPC
Owner, DH Leonard Consulting & Grant Writing Services, LLC

Diane has more than 12 years of experience in grant-development and grant-writing consulting and has personally secured more than $9 million for clients since founding DH Leonard Consulting in 2006. She is a sought-after speaker on various topics of grant seeking and management and was a presenter at the 2012 and 2013 Grant Professionals Association National Conferences. Diane is also a respected contributor for Charity Channel’s Grant and Foundation Review online publication and Grant Professional’s Association Quarterly Take It for Granted newsletter. Diane is a member of the Grant Professionals Association and currently serves on its social media and eNewsletter committees.

Adam Roth
President and CEO, StreamLink® Software

Adam Roth is the founder and CEO of StreamLink® Software, a privately held company that develops grant management and board management software products. Adam formed StreamLink® Software in 2008 in response to a need for greater process efficiencies during his 15-year career in the nonprofit sector. Using the insight he gained while serving as chief operating officer for West Side Ecumenical Ministry, Adam developed software platforms that specifically address the challenges faced by nonprofit and public-sector organizations. Adam earned masters’ degrees in social work and management from Case Western Reserve University’s Mandel School of Applied Social Sciences and the Weatherhead School of Management, respectively. He also holds a bachelor’s degree in psychology from The College of Wooster.
Start maximizing your grant funding today.

Are you ready to take your grant game to the next level? Sign up for a free demo of The Financial Edge™ from Blackbaud to kick-start your grant management process from application to accounting.