

The Four Elements of Grant-Writing

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Grants are a significant revenue stream for many not-for-profit organizations. While grants typically cannot be used to support regular operations, they can supplement other forms of income, expand existing programs, and launch new initiatives. Some grant funds can be used to inspire your current donors to give more generously. The competition for available grants is fierce. So before you begin writing proposals it's worthwhile to assess your organization's ability to make a strong case to granting entities. What can you do to increase your chances of success?

As a rule, effective organizations are more likely to attract grant dollars. "Effective" means that your organization can demonstrate that it stewards resources to fulfill its mission in tangible ways. Whereas individual donors may give simply because they believe in your cause or like your staff, foundations invest in the results of your work. Granting entities fulfill their own missions by contracting other organizations—like yours—to accomplish something in the world. Your chances of securing grants will increase when you inspire confidence in your ability to fulfill your mission.

PURSUING GRANTS FOR CHURCHES AND NON-PROFITS

Effective organizations—including not-for-profits and churches—evidence four key traits: integrity, passion, servanthood, and imagination. This is true regardless of your mission or size. For sake of memory, Elemental Churches identifies each of these four traits with one of the "four elements" of classical Greek philosophy: earth, fire, water, and air. *Your organization's ability to secure grant funding will largely depend on the extent to which you demonstrate each of these four elements and maintain a healthy balance between them.*

INTEGRITY | Earth



Earth represents an organization's ability to develop and maintain effective *systems and processes*. An organization with integrity can steward resources well to fulfill and sustain its mission.

Integrity is essential to fundraising because it increases donor confidence in your ability to do what you say you will do. Many organizations have a compelling vision but lack sound systems of governance, assessment and planning, and budgeting. Granting entities may affirm your mission and applaud the good work you do, but an absence of healthy processes will make them hesitant to trust you with their money. Integrity makes donors believe that their investment in you will yield predictable fruit.



PASSION | Fire

Fire represents an organization's ability to generate and sustain *enthusiasm*. A passionate organization attracts and inspires people who will fight for the cause even in the face of challenges.

Passion is essential to fundraising because it demonstrates that your organization is able to attract support and overcome obstacles. Passionate organizations have a strong sense of mission, and they find ways to accomplish their goals regardless of circumstances. Granting entities are unlikely to be excited about what you're doing if your own people and those you serve aren't already excited about it. Passion makes donors believe that you can keep people focused on the goal.



SERVANTHOOD | Water

Water represents an organization's *outward focus*. A service-minded organization consistently looks beyond the walls to identify and address trends and needs in the world outside.

Servanthood is essential to fundraising because it demonstrates that your organization is less concerned about its own survival than about the needs it seeks to meet. Internally, service-minded organizations are characterized by a healthy culture that increases employee and volunteer loyalty and retention. Granting entities do not care if your organization continues to exist for its own sake, and few are willing to fund regular operational expenses. A spirit of servanthood shows that you care most about what you're called to do.

As key indicators of health and effectiveness, these four elements are essential to your fundraising efforts.



IMAGINATION | Air

Air represents an organization's ability to stay fresh. An imaginative organization remains relevant by adapting to evolving trends and envisioning new ways to do things.

Imagination is essential to fundraising because it demonstrates your organization's capacity to change. Imaginative organizations learn from the world around them and from their own mistakes and adjust to ensure that they stay relevant. Granting entities will generally be more impressed by organizations that are willing to try something new than by those that are rigidly committed to what worked yesterday. Imagination shows that you grow as needed to accomplish your mission.

As key indicators of health and effectiveness, these four elements are essential to your fundraising efforts. Organizations that demonstrate a healthy balance of integrity, passion, servanthood, and imagination will attract potential donors by inspiring confidence.



KEY QUESTIONS TO DETERMINE GRANT READINESS



Elemental Churches uses the “four elements” framework to assess your organization's ability to attract investors in your mission. Of course, granting entities have their own priorities, so even a very good proposal may not secure the hoped-for funds. But ideally, every proposal you submit should lead potential funders to conclude, “I wish we could support them.” Close attention to the four elements—first in your organization's culture and operations, and then in every grant proposal you submit—will increase the likelihood that prospective funding partners will judge you worthy stewards of their money.

Consider the following questions, grouped by category on the basis of the four elements, as you reflect on your organization's readiness to seek grant funding.

INTEGRITY / EARTH (SYSTEMS AND PROCESSES)



- Is your vision and mission clear? Do you have clear vision and/or mission statements that have been updated to reflect what you are currently trying to accomplish? Could you explain to someone why you exist and what you are doing in clear and simply terms?
- Do you measure success in relation to your vision and mission? If someone asked you to prove that you are actually doing what you say you exist to do, could you demonstrate that you are actually doing it? What has demonstrably changed in the world because of your work?
- Do you have a clear process of assessment, planning, implementation, and review to ensure that your strategies are realistic and effective? When you achieve your mission, is it by accident or because your plans have succeeded? Do you have a strategic plan that guides your activities and keeps everyone focused?
- Does your pattern of governance—the way your organization is structured to make decisions and accomplish work—align well with your goals and strategies? Do your Board members, employees, and volunteers all understand how the work they do supports the larger goal?
- Does your staff grid align with your strategies? If someone looked at your org chart, would it make sense that these positions are needed to support current activities that produce missional results?
- Do you have a clear and consistent system of budgeting and bookkeeping? If you were to receive a highly-restricted gift (all grants fall into this category), could you track those funds and ensure that they are being used only for their designated purpose?
- If your organization addresses multiple issues, serves multiple populations, runs multiple programs, or has multiple departments, how do you ensure that all programs and departments are working well together? How do you align these individual activities with your organization's larger missional priorities?
- Could your project management system accommodate a focused initiative with its own dedicated resources? If you received grant funds to undertake a specific project, could you demonstrate that the work was being done and the goals were being met?
- Could your project management system support a time-sensitive initiative? Grants are almost always time-based: foundations support projects/initiatives with clear start and end dates. Could your system accommodate a program/initiative with a clear beginning and end?
- Do you communicate clearly with all constituencies, both inside your organization (Board members, employees, volunteers) and outside (those you serve and the community at large)? Are your website and print materials accurate and up to date? If a representative of a granting entity looked at your brochure or website for more information, would the information be correct and give them a good impression of what you do?
- Do you have an archive of key documents that granting entities typically require with any proposal? (see below)

PASSION / FIRE (COMMITMENT AND ENTHUSIASM)



- Do your Board members, employees, and volunteers understand your vision and mission? If asked, could they explain simply why your organization exists, what you are trying to accomplish, and how you measure success?
- Do your Board members, employees, and volunteers believe in your mission without reservation? Would they say that your organization or some other like it must exist to address this need?
- Do your Board members, employees, and volunteers go above and beyond to support the work you are doing? What percentage of your Board members and employees regularly donate to support your work?
- Can you tell a concise history of your organization in a way that naturally explains how what you are doing now relates to your past and ties into your ongoing mission? If the mission has changed over time, can you clearly explain why it has changed?
- Is it easy to attract people to your work? When people learn about what you do, do they tend to be interested? Are they glad that someone is doing what you're doing?
- Would people tell other people about your organization and the work it does? If they did, would they say positive things? What would they say about you?
- How well are you able to attract and retain volunteers and donors? Do people who invest time and money in your organization tend to remain involved for long periods of time, or do they quickly lose interest?

SERVANTHOOD / WATER (OUTWARD FOCUS)



- Do you clearly define the problems and populations you seek to impact?
- Does your mission focus on a specific type of problem/need, a specific category of people, a specific geographical region, or some combination of all 3?
- Could you explain why you do what you do in terms that clearly align with the real-world needs you seek to address?
- Would a review of your strategic plan and budget suggest that you prioritize mission success over organizational survival? What percentage of your resources—human, financial, and facilities—are invested in addressing the problems you exist to solve? What percentage are invested in the everyday expenses of running your organization?
- In the case of any specific project/initiative for which you might seek funding, could you clearly explain how the requested funds/resources would directly support a strategy that will fulfill your mission?
- Is your organizational culture healthy? Do people work well together and put the good of the cause above their own interests? Is a “team spirit” evident?
- Are the lines of communication inside your organization healthy and effective? Do people communicate well and demonstrate a high level of support and trust?
- Are you known as a service-minded organization? Would people outside your organization recommend you to people who need your services or who may want to donate time or money?

IMAGINATION / AIR (CREATIVITY AND CHANGE CAPACITY)



- How do you collect data on the problems and populations you seek to serve? How and when do you gather this information, and how does it inform your planning process?
- How do you collect data on your organization and its programs? How and when do you gather this information, and how does it inform your planning process?
- How do you encourage employees and volunteers to share ideas about how you could better accomplish your mission? What processes are in place to ensure that these ideas are considered?
- What opportunities exist within your organization for disagreement? Do employees and volunteers who disagree with the majority feel that their views have been heard and seriously considered?
- Could you document 3-5 significant organizational learnings over the past five years and explain how these have impacted current strategies and future plans?
- How would you rate your organization's risk tolerance? Are you willing to try new things that might be fruitful even if the outcomes are uncertain?
- How does your organization handle failure? Could you document initiatives that have failed and explain what you learned from those experiences?
- Is your organization flexible and entrepreneurial? If a grant opportunity aligned closely with your mission but not with present strategies and infrastructure, how easily could you adapt what you're doing?

ELEMENTS OF A GRANT

Most granting entities will require you to submit two types of documentation when you request funds: a *proposal* and *supporting documents*.

The "*proposal*" is the actual "ask." Proposals are typically business plans, similar to a bid in the corporate world. They describe who you are, what problems you exist to solve, what you want to do to solve them, and how the requested funds will support that solution. In the past, proposals were typically submitted in hardcopy or as PDFs and took the form of narrative reports. Today, many granting entities collect the requested information through field-based online portals that take the form of a series of questions.

Proposals are specific to the funding entity and the ask. As a result, each will vary depending on what you plan to do, what you're asking for, and how the entity in question prefers to collect the needed information.

SUPPORTING DOCUMENTS

“*Supporting documents*” are appendices to your proposal. These provide general information about your organization that helps the granting entity verify that you are eligible to receive funds from them. “Eligibility” relates both to legal considerations and also to policies that guide the specific funder’s award process. In the past, supporting documents were typically submitted in hardcopy along with the proposal. Today, many granting entities ask you to upload these documents through an online portal when you complete the online proposal.

Because you will submit many of the same supporting documents each time you submit any proposal, you may find it helpful to keep updated digital copies in a single file. This file should include the following (below). *Be sure that your website is regularly updated to remain consistent with the contents of these documents, and vice-versa.*

- **990:** your most recent IRS Form 990, which provides a quick overview of your activities, leading officers, and finances.
- **Annual Report:** larger organizations often publish an annual report that describes activities and expenses over the past year and outlines priorities for the new year. Annual reports often include stories and statistics that illustrate the good work you’ve been doing.
- **Audited Financial Statements:** many granting entities will require evidence that your annual financial reports have been independently audited.
- **Board:** compile the names, occupations/organizations, cities of residence, and tenures of service for all members of your Board. Some foundations may request information on giving/contributions by Board members.
- **Board Minutes:** some foundations may request copies of the minutes of your most recent Board meetings.
- **Bylaws:** the current version of your Bylaws.
- **Donor base:** some granting entities may wish to see a breakdown of your revenue streams by category, including funds provided by specific categories of donors. Proposals for “challenge/match funds”—grants awarded to encourage your existing donor base to give in support of a project—may require you to submit evidence that a certain percentage of the funds needed to complete a project have already been raised.
- **EIN:** your organization’s IRS Employer Identification Number.
- **Executive Summary:** a one-page/300-word overview of your organization’s history, mission, primary activities, and major accomplishments. Executive Summaries often serve as the text for introductory emails or cover letters for grant proposals. Think of this as a one-page version of your or “elevator speech.” Who are you and what do you do?

- **History:** a one-page/300-word brief history of your organization. Why were you founded, what have you done over the years, and how has your mission evolved over time?
- **Letter of Determination:** registered 501(c)3 charitable organizations receive a letter from the IRS that verifies their authority to receive tax-deductible donations. These letters are received upon registration, so your letter may have been issued decades ago.
- **Mission and Vision Statements:** many foundations will ask for a short statement of your mission. This should also appear prominently on your website.
- **Operating Budget:** funding entities may wish to see your current annual operating budget to get a sense of your income and allocations. Your budget will also give them a sense of your capacity to manage the project you're proposing.
- **Org Chart:** some funding entities may wish to see your basic organizational chart. These charts may be especially helpful as supporting documents if your proposal involves a project that will be managed by a specific person, group, or department within your organization.
- **References:** some granting entities will allow you to submit letters of reference from organizations you have partnered with in the past. You may find it convenient to keep several references on file.
- **Testimonials:** some granting entities will allow you to submit testimonial letters from individuals or organizations served by your organization. You may find it convenient to keep several recent testimonials on file.

*Want more info on how we can help? Contact
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The Elemental Group 

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